

January 14 1993  
r strike



Iraq  
No retreat and  
no advance  
Page 11



Mitterrand  
Beginning of  
the end  
Page 2



Braer aftermath  
The legacy of  
pollution  
Page 6

Tomorrow's Weekend FT  
Russian arts perform a  
dance of death



FT NEWSPAPER  
of the YEAR

# FINANCIAL TIMES

Europe's Business Newspaper

FRIDAY JANUARY 15 1993

D8523A

## Aircraft carrier to protect British troops in Bosnia

The UK government is to send the aircraft carrier Ark Royal, two frigates and three support ships to protect - and if necessary evacuate - British soldiers in Bosnia-Herzegovina. Defence secretary Malcolm Rifkind emphasised that Britain's role of escorting aid supplies would not change. Troops would not intervene in fighting between rival factions in former Yugoslavia. Page 12

**Miller takes Molson stakes** Miller Brewing, beer arm of US food and tobacco group Philip Morris, is buying a 20 per cent stake in Canada's biggest brewer, Molson Breweries. Page 13

**Ferry's third capsizes kills 51** A Polish ferry plying between Poland and Denmark capsized during a storm in the Baltic Sea. Up to 51 people are believed to have drowned. The ship, built in 1977, had capsized twice before. Page 2

**Honecker arrives in Santiago**

Former East German leader Erich Honecker (left) arrived at Santiago, the Chilean capital, to be reunited with his wife. The 80-year-old, who has liver cancer, showed his bag of medicines on his flight from Germany, where his manslaughter trial was abandoned because of his health.

**Press restrictions** The UK government, reacting to Sir David Calcutt's report into press regulation, is to make electronic bugging and trespass criminal offences and promises serious consideration of a civil remedy against undue intrusion into privacy. Page 6

**Strike at Cathay Pacific** Cabin crew at Hong Kong international carrier Cathay Pacific went on strike over staffing levels, halting almost half the airline's flights. Page 3

**Tabacalera to sell Royal Brands** Spanish state-controlled tobacco company Tabacalera is negotiating the sale of Royal Brands, its food and agribusiness division, to US multinational RJR Nabisco. Page 13; Lex, Page 12

**Sharp rise in bank's profits** Bank of New York, a conservatively managed commercial bank, reported net annual profits of \$369m, up from \$122m because of stronger fee income and lower bad debt provisions. Page 15

**Algeria referendum** Algeria is to hold a referendum on a new constitution which acting head of state Ali Kafi hopes will end 12 years of fighting between security forces and radical Islamic groups. Page 3

**Digital cuts losses** San Francisco-based computer manufacturer Digital Equipment reported second-quarter losses of \$73.9m, compared with \$155.2m in the second quarter of fiscal 1992, as the company cut costs. Page 15

**Rhône-Poulenc cuts estimates** French state-owned chemicals group Rhône-Poulenc, scheduled for partial privatisation within two weeks, cut its operating profits estimate of 20 per cent to between 5 and 10 per cent. Page 14; Lex, Page 12

**Kurdish guerrillas bombed** Turkish aircraft bombed a mountain camp of the outlawed Kurdistan Workers party in eastern Turkey, killing at least 36 guerrillas.

**J.P. Morgan's trading income drops** New York banking group J.P. Morgan suffered a decline in trading revenues in the fourth quarter, but produced a 21 per cent rise in full-year net profits to \$1.382bn. Page 13

**Jobless rate declines** Australia's unemployment rate fell by 0.1 points to 11.3 per cent in December. Page 3

**Book to hold biggest Lorch stake** Lorch's rights issue, which closes today, is expected to fail, enabling German financier Dieter Bock, who is underwriting half the new shares, to become the group's biggest shareholder. Page 13

**UK car output up** UK car production rose 4.4 per cent to 1,291,251 units last year, helped by a substantial increase in output by Japanese carmaker Nissan and by Vauxhall, UK subsidiary of General Motors of the US. Page 6

**Snapped up** A Nikon camera made in 1990, one of only 195 of its kind, fetched £28,600 (\$43,500) at Christie's in London - a British record for a Nikon.

STOCK MARKET INDICES		STERLING	
FTSE 100	2,758.2 (+13.5)	New York lunchtime	\$ 1,541.15
Yield	4.40		
FTSE Europe 100	1,976.53 (+13.91)	London	\$ 1,537.5 (1,535.5)
FTSE Asia 100	1,337.58 (+0.54)	DM	2.48 (2,512.5)
Nikkei	10,515.60 (-2.31)	FF	2.44 (8,517.5)
New York lunchtime	3,358.51 (-5.75)	Sfr	2,277.9 (2,297.9)
Dow Jones Ind Ave	3,358.51 (-5.75)	Y	193.25 (194)
S&P Composite	438.2 (+0.57)	S Index	81.9 (81.8)
US LUNCHTIME RATES		DOLLAR	
Federal Funds	2 1/4 %	New York lunchtime	
3-mo Treas Bids Yld	3.894%	DM	1,819.5 (1,825.5)
Long Bond	7.407%	FF	5,476.5 (5,482.5)
Yield	7.407%	Sfr	1,477.5 (1,478.5)
LONDON MONEY		DM	1,819.5 (1,825.5)
3-mo Interbank	7% (7.5%)	FF	5,476.5 (5,482.5)
Libor 6m 3m future	7.50% (Mar 99)	Sfr	1,477.5 (1,478.5)
NORTH SEA OIL (Argus)		Y	125.7 (125)
Brent 15-day March	\$ 17.325	S Index	81.9 (81.8)
Gold			
New York Comex Jan	\$327.3 (\$27.45)		
London	\$327.3 (\$27.45)		
		Tokyo close	Y 125.85

Austria	Scd30	Greece	Drs30	Lux	Flr30	Ostar	Qr12.00
Bahrain	Dn1.250	Hungary	Hfl100	Malta	Lm1.00	S.Arabia	Sr11
Belgium	Bfr40	Ireland	Ir100	Morocco	Mdh10	Singapore	S\$4.10
Belgium	Bel100	India	Rs40	Neth	Nf1.375	Spain	Pes300
Cyprus	Ct1.00	Indonesia	Rp3000	Nigeria	Nn100.00	Sweden	Skr15
Czech	Kcs30	Israel	Shs5.00	Norway	Nkr100.00	Switz	Sfr3.20
Denmark	Dkr15	Italy	Lira100	Philippines	Pes40	Thailand	Bht100
Egypt	Eg1.00	Jordan	Jd1.00	Poland	Plz100.00	Tunisia	Dn1.250
Finland	Fmk10	Korea	Won200	Romania	Rm100.00	Turkey	Lira100
France	Ffr40.50	Kuwait	Kd1.00	Saudi	Sr1.00	UAE	Dh1.00
Germany	Dm3.00	Lebanon	Lb1.00	Portugal	Pt100.00		

## Schlüter misinformed parliament ■ Crisis over his replacement

# Denmark's PM quits over Tamil refugees scandal

By Hilary Barnes and Lionel Barber in Copenhagen and Andrew Hill in Brussels

DENMARK, current holder of the European Community presidency, was thrown into political crisis yesterday when Mr Poul Schlüter, prime minister since 1982, announced his resignation after a judicial inquiry savagely criticised him for misinforming parliament.

Mr Schlüter, 63, the leader of the Conservative party, gave the Folketing, Denmark's parliament, misleading and incorrect information in 1989 on a scandal surrounding the government's attitude to Tamil refugees from Sri Lanka, and he must have known this, said the report released yesterday.

Mr Schlüter nominated Mr Henning Dyremose, finance minister in the minority Conservative-Liberal coalition government, to succeed him. But it was increasingly doubtful last night that Mr Dyremose could win majority support.

Mr Poul Nyrup Rasmussen, leader of the opposition Social Democratic party, called for the establishment of a broad coalition. Negotiations between party leaders for a new government were also demanded by the Radical Liberals and the Centre Democrats, two small parties which have hitherto supported Mr Schlüter's government.

Constitutional experts said a general election was unlikely, and could be called only once a new prime minister is installed.

The next election is not due until the end of 1994.

The upheaval could complicate plans for a second referendum on the Maastricht Treaty on European union, although Danish officials insisted yesterday that a switch of government would not

Page 12

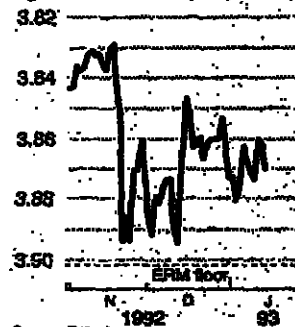
■ Something rotten in the government of Denmark

harm prospects for Maastricht since seven of the eight parliamentary parties support the treaty after the special deal on opt-outs agreed at the Edinburgh summit last month. Last June, Danish voters narrowly rejected Maastricht in a referendum.

In Brussels, diplomats and Commission officials said they believed Mr Schlüter's resigna-

Danish Krone

against the D-Mark (DK per DM)



Source: Deutscher

tion would not have a dramatic effect on the smooth running of the Danish presidency of the EC, which ends in June. Most refused to commit themselves until it was clear how the government crisis would be resolved. A spokesman for Mr Hans van den Broek, the EC's new commissioner for external relations, would say only that "it's not clear yet what the implications are."

An Irish diplomat said it would be difficult for someone to step into the Mr Schlüter's shoes in the EC presidency, given the personalised nature of the job. "Obviously for someone to change in midstream isn't desirable, because you are losing the preparation that the original people have done in the run-up to the presidency," he said.

Ahead of the news, the Copenhagen all-share index dipped 2.39 points to 263.73 yesterday, but government bond prices remained stable.

The resignation also came too late to affect the krone in European foreign exchange trading. But there have been concerns in recent days that a political crisis could undermine the currency, which is already close to its floor against the D-Mark in the European exchange rate mechanism.

After opening in London at Dkr3.8815 to the D-Mark, the krone weakened in the European morning to about Dkr3.8750 as the contents of the Tamillgate report filtered out. After the

Continued on Page 12



Poul Schlüter: his resignation is unlikely to cause a general election. The next election is not due until the end of 1994

## US says Iraq raids destroyed only half targets

By George Graham in Washington and Roger Matthews in London

THE US claimed yesterday that its raid on Iraq had succeeded, although it acknowledged that only half its targets were destroyed.

At the same time the incoming Clinton administration warned President Saddam Hussein not to expect any softening of US policy.

Mr Brent Scowcroft, national security adviser, said preliminary assessments showed that the US and allied air strikes on Wednesday had knocked out about half of the eight anti-aircraft missile and radar sites in Iraq's southern no-fly zone.

President George Bush told reporters at the White House: "Let's just hope that Saddam Hussein got the message. What our pilots did certainly sent that message loud and clear."

President-elect Bill Clinton, in an interview with the New York Times, said he was not obsessed with the idea of ousting Mr Saddam. If the Iraqi leader wanted a better relationship with the US, all he had to do was abide by UN requirements.

"I always tell everybody I am a Baptist, I believe in deathbed conversions. If he wants a different relationship with the US and the UN, all he has to do is change his behaviour," Mr Clinton said.

Mr Warren Christopher, Mr Clinton's nominee as secretary of state, said this should not be interpreted as an olive branch to Iraq. He said he was not optimistic about Mr Saddam's prospects for redemption. At most, he said, Mr Clinton would seek to prevent the feud from being personalised.

Mr Clinton said he would not rule out using force against Mr Saddam again in the future, including, if necessary, re-engaging US ground troops. "But," he said, "I want to see what he does in response to this mission."

Iraq said yesterday that its

Continued on Page 12  
Picture, Page 3  
Editorial Comment, Page 13

## Siemens issues veiled 1993 profits warning

By Christopher Parkes in Munich

SIEMENS, the German electrical and electronics group, yesterday issued a veiled profits warning for the 1993 financial year as it revealed slowing earnings growth and a fall in new orders in the first quarter.

Mr Heinrich von Pierer, chief executive, said that while the full year's turnover is expected to rise 7 per cent to around DM84bn (\$52.8bn), "it will take major efforts to maintain the level of net income reached last year."

The group, which includes the successful KKW power plant subsidiary, and the stricken Siemens Nixdorf computer company, increased net earnings by 9 per cent to DM1.96bn last year on sales of DM78.5bn.

It has been hit by the accelerating slowdown first noticed by

German industry last autumn. Group orders in the first quarter of the current financial year fell 6 per cent, comprising drops in domestic and foreign demand of 4 per cent and 10 per cent respectively. Sales rose only 4 per cent and net profits were up 2 per cent at DM406m.

Mr von Pierer attributed the fall in incoming business to the "postponement" until later in the year, of public telecommunications and power generation orders worth DM1.6bn.

Despite the slowdown - reflected in zero growth in world electrical markets last year - and recent warnings that the German economy was on the brink of catastrophe, "prophecies of doom are unwarranted", he added.

However, he expected flatter growth in new orders this year and further cuts in the work-

force. Some 3,000 of the 413,000 employed worldwide at the end of the last financial year had gone and the total workforce would be reduced to less than 400,000 by the end of September.

At Siemens Nixdorf most of the 6,000 job cuts planned for 1994 will now come in the current year. Siemens Nixdorf expects "weak growth and further price erosion", says Mr Hermann Franz, the board member responsible for computers. He said restructuring would continue and high extraordinary expenditure would be necessary.

Computers and semiconductors, which together lost more than DM1bn last year, remained core businesses within Siemens, Mr Franz said.

Mr Karl-Hermann Baumann, finance director, said the group's US business had benefited only in part from renewed optimism

in the US economy. Energy and automation interests had won more orders, but it was too soon to say if the trend was sustainable. Telecommunications markets had not yet improved.

Osram, Siemens' lamp producing unit, has signed an agreement to buy Sylvania of the US for an undisclosed sum. The merger has been approved by US anti-trust authorities.

## US retail sales rise 1.2% to confirm surge in spending

By Michael Prowse in Washington

US RETAIL sales rose 1.2 per cent between November and December, confirming reports of a surge in consumer spending at the end of last year.

According to the Commerce Department, retail sales rose 5.1 per cent during 1992, making last year the best for retailers since 1989. The figures are not adjusted for inflation.

The spurt at the end of year, however, masked significant differences in the fortunes of particular sectors. Car sales rose 3.2 per cent last month but general department store sales fell 0.7 per cent relative to November. Exclu-

ding car dealerships, retail sales rose by only 0.6 per cent.

In a separate report the Labour Department said producer prices rose 0.3 per cent last month and by only 1.9 per cent in 1992 as a whole - the lowest rate of wholesale inflation since 1983.

Weekly figures for state unemployment claims jumped 52,000 to 343,000 to register their largest increase in five months.

However, the weekly claims numbers are volatile and the new total is still consistent with sluggish improvement in labour markets.

Economists at C.J. Lawrence, the New York broker, said yesterday's sales figures were consistent with a real increase in

consumer spending at an annual rate of about 4.5 per cent in the fourth quarter, larger than the 3.7 per cent increase in the third quarter.

Most analysts, however, forecast a slower pace of consumer spending in the first half of this year. Spending last year ran well ahead of both income and employment growth, resulting in a fall in the already low personal savings rate.

President-elect Bill Clinton's advisers have refused to rule out a short-run economic stimulus in part because of worries about the endurance of a consumption-led upturn.

Testing times for Clinton, Page 4

# IF YOU WANT TO TALK BUSINESS

# WE SPEAK YOUR LANGUAGE

When you deal with MPE you're talking to people with extensive hands-on experience in commerce and industry who know exactly what to look for when assessing opportunities.

That means, whatever the transaction: Development Capital, Acquisition Finance, Buy-In, Company Restructuring or Share Purchase; whether large or small; MPE will respond

innovatively and quickly to support the deal. With links to Midland Bank and affiliates throughout Europe, MPE has the capability and experience of leading, arranging and underwriting transactions.

For further information call Ian Forrest on 071 260 9783 or write to him at Montagu Private Equity, 10 Lower Thames Street, London EC3R 6AE.

**MONTAGU PRIVATE EQUITY**

The Venture Catalysts

LONDON MADRID MILAN MUNICH PARIS

MONTAGU PRIVATE EQUITY, A MEMBER OF IMRO.

member HSBC group



# Kohl close to deal on 'solidarity pact'

By Quentin Peel in Bonn

MEMBERS of Germany's ruling coalition claimed yesterday to have made "huge progress" in finalising proposals for the planned "solidarity pact" between the government opposition, employers and trade unions, intended to finance the soaring cost of unification.

Final plans will be presented to the parliamentary parties in the coalition next Tuesday, but they then have to be agreed with trade unions and the Social Democratic Party (SPD) opposition, which remain decidedly sceptical.

The government parties, including Mr Helmut Kohl's Christian Democratic Union (CDU), its sister party the Christian Social Union (CSU), and the minority Free Democrats (FDP), remain determined to cut back in some areas of social spending. These cuts are fiercely opposed by the SPD.

They have also agreed on other savings measures, including a ceiling of 3 per cent

on public sector pay - and 2 per cent for civil servants - according to today's issue of Handelsblatt, the German business daily.

Other measures include taxation of life insurance policies, and to raise taxation on insurance from 10 to 12 per cent. Overall, they are looking to cut back public expenditure in the west by some DM12bn (\$4.9bn).

Firm evidence of a reduction in the state deficit, as well as restraint from the trade unions, is demanded by the Bundesbank as a precondition for any early relaxation in its high interest rate policy.

The most tangible sign of progress in recent days, as the pace of negotiations for the pact has stepped up dramatically, has been the agreement of the German banking sector to increase loans to east German enterprises by DM1bn (\$400m), on top of a similar commitment from the insurance industry.

The banks' agreement was made on Monday, in talks with Mr Horst Köhler, the state sec-

retary for finance. However, it now has to be worked out in detail with the Treuhand privatisation agency in eastern Germany.

The money is intended to provide credit for Treuhand enterprises which have not yet been privatised, but which are considered "capable of being restructured".

An agreement on saving such eastern "core" enterprises is likely to be a key part of the solidarity pact, in exchange for which the trade unions are supposed to promise real restraint in their wage demands.

At the same time, the central government and the 11 western Länder are supposed to agree on drastic savings in their budgets, in order to provide adequate finance for the bankrupt eastern Länder.

An inconclusive round of talks was held by Mr Theo

Wiesel, the finance minister, with a committee of finance ministers from the Länder last weekend, and further talks are expected on Sunday.

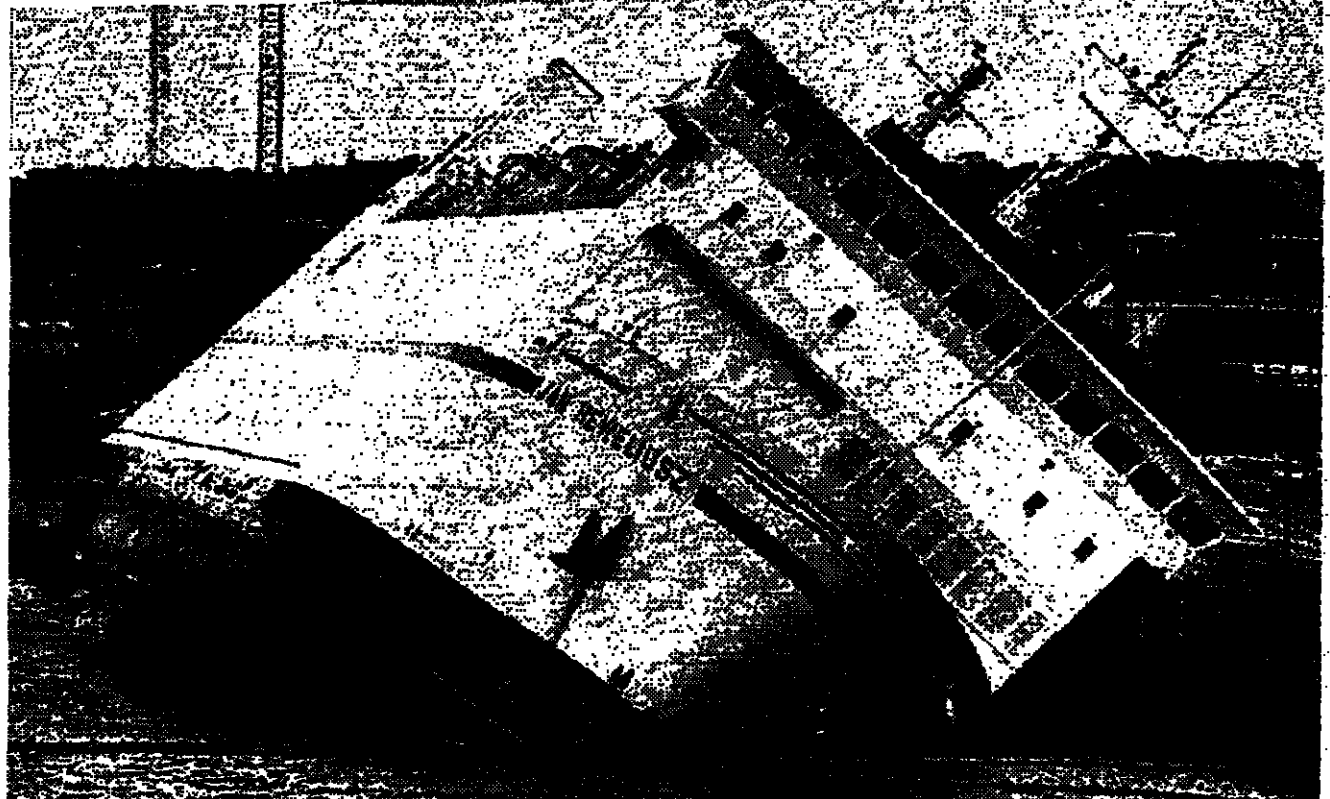
THE POLISH ferry which capsized in a fierce storm off Germany's Baltic coast yesterday - with the loss of 51 of the 60 people on board - had capsized on two previous occasions, Reuter reports from Stralsund, Germany.

The Jan Heweliusz, built in 1977 and run by the privatised Polish company, Eurofrisa, was sailing from Ystad in Sweden to the Polish port of Swinoujscie when it turned over in heavy seas and winds of up to 100 mph.

German police said bodies were still being recovered and there were nine survivors among the 28 crew and 32 passengers, who were mainly truck drivers.

Poland has set up a committee of inquiry. Officials suggested that the storm may have caused one or more of 10 railway wagons on board to break free from couplings.

The Jan Heweliusz had capsized on two previous occasions, in August 1982, while loading at Ystad, and four years earlier, because of a fault in valves regulating the ballast tanks. The ferry was the same type as the Herald of Free Enterprise which capsized off Zeebrugge in March 1987, with the loss of 189 lives.



Stricken ferry: The Jan Heweliusz, which sank yesterday, lying capsized in the Swedish port of Ystad in August, 1982

## Russia plans rapid privatisation

By Leyla Bouillon in Moscow

HUNDREDS of Russian companies are to be sold at breakneck speed in a political gamble to make privatisation irreversible by April, when the country faces a referendum over its future constitution and fresh parliamentary elections.

Fourteen of Russia's 49 regions are to be included in a campaign to sell around 500 big and medium-sized enterprises, Russian authorities and their western advisers said yesterday. Other regions will proceed at their own pace in contributing to the goal of selling 6,500 enterprises this year.

Russia is taking a different approach from western Europe, where privatisation was slow, mainly because enterprise were restructured before sale

and large-scale privatisation was under centralised control. Russian reformers argue they have neither the time nor money to proceed the same way.

"Rather than looking for good companies to sell, our objective is to sell all companies," said Mr Anthony Doran, an executive from the International Finance Corporation, the World Bank's investment arm advising five of the regions. Accountancy firm Price Waterhouse is to help with privatisation in another five.

Up to 51 per cent of shares will be sold to the workforce and remaining stakes will be offered for cash and privatisation vouchers to be distributed to every Russian citizen by the end of this month. There are no restrictions on foreigners

taking part even though few are expected to do so yet.

The pilot project is to kick off in the Volgograd region, better known by its wartime name of Stalingrad, where 200 companies up for sale will include the tractor plant which switched to tank production during the second world war.

Enterprises are being cleared for auction by regional authorities after passing basic "survival tests" which amount to a snapshot of their condition over a relatively short period.

The second fire in less than two days broke out yesterday at the Chernobyl power plant, site of the world's worst nuclear accident, writes Chrystia Freeland in Kiev. The fire was in a ventilation corridor on top of the sarcophagus which covers the melted

down reactor core left by the 1986 accident. The location is considered the most radioactive site at the power plant.

Chernobyl officials said no radiation was released, but admitted it could have been. The first and third blocks of the power plant remain in operation.

"Although no radiation was released this is a serious moral blow," said Mr Anatoli Demianenko, deputy head of the Ukrainian Atomic Energy Safety Commission. "A fire the day before yesterday, then a fire today - together, these are morally troubling events."

He said a recent inspection at Chernobyl had uncovered serious safety violations in the construction and maintenance of the sarcophagus.

## Central bankers believe ERM dangers receding

By Peter Norman, Economics Editor

THE central banks of countries still in the European exchange rate mechanism are confident that the four-month crisis in the European Monetary System is past its peak.

An upbeat appraisal of the ERM's prospects at a meeting of EC central bank governors in Basle this week was reflected in comments at Wednesday's meeting in Frankfurt of the privately organised G7 Council.

Mr Hans Tietmeyer, the Bundesbank vice president, said there was no longer any reason for a realignment of parties in the European exchange rate mechanism following the adjustments of recent months.

Mr Wim Duisenberg, governor of the Netherlands central bank, went further: "What crisis?" he asked. The problem

with the ERM was that "we had forgotten how to realign". The upheavals that had shaken the system since September simply added up to "one realignment that lasted four months".

The bullish tone was tempered by doubts among officials from non-EC nations and countries that had been forced to quit the system and scepticism among some of the bankers and financiers attending the Frankfurt G7 Council meeting. Currency markets also remain concerned about the ability of the Irish punt and Danish krone to maintain their current parties.

Mr Lamberto Dini, the director general of the Bank of Italy, urged a co-ordinated reduction in European interest rates as soon as possible to promote economic convergence among EC countries. One UK official expressed concern that tensions could reappear nearer

to the French national assembly elections in March.

Such doubts would be greatly reduced if Germany's high short term interest rates were to ease soon. On Tuesday night, Mr Michel Sapin, the French finance minister, predicted "a significant and durable drop of interest rates in Europe" this year.

This bold forecast gained some support from the Bundesbank. Although Mr Helmut Schlesinger, the Bundesbank president, and Mr Tietmeyer insisted that the German central bank would not relax its drive for low inflation, they made clear that the bank was prepared to allow some flexibility in operating its policy.

However, lower interest rates ultimately depend on the German government finalising negotiations on a "solidarity pact" that will control Germany's public sector deficits and rising labour costs growth.

## Austrian banks ban Prague's old crowns

By Patrick Blum in Prague

AUSTRIAN BANKS have stopped exchanging Czechoslovak crowns following an unprecedented rush by Slovaks to change their savings into Austrian schillings and other hard currencies.

Fears that their currency may be devalued once the common Czechoslovak crown is split into separate Czech and Slovak crowns later this year, appear to have encouraged many Slovaks to make the short journey to Vienna to change as much money as possible. Uncertainty about the future about the two countries' currencies has also fuelled foreign bankers' fears that they could be left with worthless banknotes.

The old Czechoslovak crown is expected to be replaced with separate Czech and Slovak crowns by June, though currency dealers say the split could come much sooner. The Czech and Slovak central banks have both begun to stamp existing banknotes with their own emblem to prepare for the split, causing a rush to banks by anxious savers eager to deposit and safeguard their cash.

Some bankers believe that the stamping of banknotes will inevitably lead to separate exchange rates even before the common currency is formally abolished.

"We don't know what will happen, and we have to be cautious. Once the currencies are stamped, the unstamped notes could become invalid, then we could be left sitting on a worthless mountain of paper," said a senior Austrian banker.

Meanwhile, strong demand for foreign currency from Czech commercial banks has already drained more than one third of the Czech central bank's foreign currency reserves since the start of the year.

The central bank is obliged to sell foreign currency to the banks if they require it to cover liabilities.

Since January 1, the central bank has sold almost \$300m from its estimated \$700m foreign currency reserves.

Mr Martin Svehla, the Czech central bank spokesman, cautioned against over-dramatising the situation. He said it was "normal" for the time of the month and year when companies make large payments.

Registered office: Number One, Southwark Bridge, London SE1 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholder: The Financial Times Limited. The Financial Times News Limited. Publishing director: J. Rolley. 100 Rue de Rivoli, 75004 Paris Cedex 01. Tel: (01) 4397 0621; Fax: (01) 4397 0629. Editor: Richard Lambert. Printer: S.A. Nord Sédici, 1521 Rue de Caen, 59100 Roubaix Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67800.

Financial Times (Europe) Ltd. Published by The Financial Times (Europe) GmbH, Frankfurt Branch, Nibelungenplatz 3, 6000 Frankfurt-am-Main 1. Telephone 49 69 56830; Fax 49 69 5964481; Telex 416193. Represented by: E. Hugo, Managing Director. Printer: DVM GmbH-Hürthner International, 6078 Neu-Isenburg 4. Responsible editor: Richard Lambert. Financial Times, Number One Southwark Bridge, London SE1 9HL. The Financial Times, Ltd. 1993.

Registered office: Number One, Southwark Bridge, London SE1 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholder: The Financial Times Limited. The Financial Times News Limited. Publishing director: J. Rolley. 100 Rue de Rivoli, 75004 Paris Cedex 01. Tel: (01) 4397 0621; Fax: (01) 4397 0629. Editor: Richard Lambert. Printer: S.A. Nord Sédici, 1521 Rue de Caen, 59100 Roubaix Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67800.

Registered office: Number One, Southwark Bridge, London SE1 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholder: The Financial Times Limited. The Financial Times News Limited. Publishing director: J. Rolley. 100 Rue de Rivoli, 75004 Paris Cedex 01. Tel: (01) 4397 0621; Fax: (01) 4397 0629. Editor: Richard Lambert. Printer: S.A. Nord Sédici, 1521 Rue de Caen, 59100 Roubaix Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67800.

Registered office: Number One, Southwark Bridge, London SE1 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholder: The Financial Times Limited. The Financial Times News Limited. Publishing director: J. Rolley. 100 Rue de Rivoli, 75004 Paris Cedex 01. Tel: (01) 4397 0621; Fax: (01) 4397 0629. Editor: Richard Lambert. Printer: S.A. Nord Sédici, 1521 Rue de Caen, 59100 Roubaix Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67800.

Registered office: Number One, Southwark Bridge, London SE1 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholder: The Financial Times Limited. The Financial Times News Limited. Publishing director: J. Rolley. 100 Rue de Rivoli, 75004 Paris Cedex 01. Tel: (01) 4397 0621; Fax: (01) 4397 0629. Editor: Richard Lambert. Printer: S.A. Nord Sédici, 1521 Rue de Caen, 59100 Roubaix Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67800.

Registered office: Number One, Southwark Bridge, London SE1 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholder: The Financial Times Limited. The Financial Times News Limited. Publishing director: J. Rolley. 100 Rue de Rivoli, 75004 Paris Cedex 01. Tel: (01) 4397 0621; Fax: (01) 4397 0629. Editor: Richard Lambert. Printer: S.A. Nord Sédici, 1521 Rue de Caen, 59100 Roubaix Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67800.

Registered office: Number One, Southwark Bridge, London SE1 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholder: The Financial Times Limited. The Financial Times News Limited. Publishing director: J. Rolley. 100 Rue de Rivoli, 75004 Paris Cedex 01. Tel: (01) 4397 0621; Fax: (01) 4397 0629. Editor: Richard Lambert. Printer: S.A. Nord Sédici, 1521 Rue de Caen, 59100 Roubaix Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67800.

Registered office: Number One, Southwark Bridge, London SE1 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholder: The Financial Times Limited. The Financial Times News Limited. Publishing director: J. Rolley. 100 Rue de Rivoli, 75004 Paris Cedex 01. Tel: (01) 4397 0621; Fax: (01) 4397 0629. Editor: Richard Lambert. Printer: S.A. Nord Sédici, 1521 Rue de Caen, 59100 Roubaix Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67800.

Registered office: Number One, Southwark Bridge, London SE1 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholder: The Financial Times Limited. The Financial Times News Limited. Publishing director: J. Rolley. 100 Rue de Rivoli, 75004 Paris Cedex 01. Tel: (01) 4397 0621; Fax: (01) 4397 0629. Editor: Richard Lambert. Printer: S.A. Nord Sédici, 1521 Rue de Caen, 59100 Roubaix Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67800.

Registered office: Number One, Southwark Bridge, London SE1 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholder: The Financial Times Limited. The Financial Times News Limited. Publishing director: J. Rolley. 100 Rue de Rivoli, 75004 Paris Cedex 01. Tel: (01) 4397 0621; Fax: (01) 4397 0629. Editor: Richard Lambert. Printer: S.A. Nord Sédici, 1521 Rue de Caen, 59100 Roubaix Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67800.

Registered office: Number One, Southwark Bridge, London SE1 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholder: The Financial Times Limited. The Financial Times News Limited. Publishing director: J. Rolley. 100 Rue de Rivoli, 75004 Paris Cedex 01. Tel: (01) 4397 0621; Fax: (01) 4397 0629. Editor: Richard Lambert. Printer: S.A. Nord Sédici, 1521 Rue de Caen, 59100 Roubaix Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67800.

Registered office: Number One, Southwark Bridge, London SE1 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholder: The Financial Times Limited. The Financial Times News Limited. Publishing director: J. Rolley. 100 Rue de Rivoli, 75004 Paris Cedex 01. Tel: (01) 4397 0621; Fax: (01) 4397 0629. Editor: Richard Lambert. Printer: S.A. Nord Sédici, 1521 Rue de Caen, 59100 Roubaix Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67800.

Registered office: Number One, Southwark Bridge, London SE1 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholder: The Financial Times Limited. The Financial Times News Limited. Publishing director: J. Rolley. 100 Rue de Rivoli, 75004 Paris Cedex 01. Tel: (01) 4397 0621; Fax: (01) 4397 0629. Editor: Richard Lambert. Printer: S.A. Nord Sédici, 1521 Rue de Caen, 59100 Roubaix Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67800.

Registered office: Number One, Southwark Bridge, London SE1 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholder: The Financial Times Limited. The Financial Times News Limited. Publishing director: J. Rolley. 100 Rue de Rivoli, 75004 Paris Cedex 01. Tel: (01) 4397 0621; Fax: (01) 4397 0629. Editor: Richard Lambert. Printer: S.A. Nord Sédici, 1521 Rue de Caen, 59100 Roubaix Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67800.

Registered office: Number One, Southwark Bridge, London SE1 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholder: The Financial Times Limited. The Financial Times News Limited. Publishing director: J. Rolley. 100 Rue de Rivoli, 75004 Paris Cedex 01. Tel: (01) 4397 0621; Fax: (01) 4397 0629. Editor: Richard Lambert. Printer: S.A. Nord Sédici, 1521 Rue de Caen, 59100 Roubaix Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67800.

Registered office: Number One, Southwark Bridge, London SE1 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholder: The Financial Times Limited. The Financial Times News Limited. Publishing director: J. Rolley. 100 Rue de Rivoli, 75004 Paris Cedex 01. Tel: (01) 4397 0621; Fax: (01) 4397 0629. Editor: Richard Lambert. Printer: S.A. Nord Sédici, 1521 Rue de Caen, 59100 Roubaix Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67800.

Registered office: Number One, Southwark Bridge, London SE1 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholder: The Financial Times Limited. The Financial Times News Limited. Publishing director: J. Rolley. 100 Rue de Rivoli, 75004 Paris Cedex 01. Tel: (01) 4397 0621; Fax: (01) 4397 0629. Editor: Richard Lambert. Printer: S.A. Nord Sédici, 1521 Rue de Caen, 59100 Roubaix Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67800.

Registered office: Number One, Southwark Bridge, London SE1 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholder: The Financial Times Limited. The Financial Times News Limited. Publishing director: J. Rolley. 100 Rue de Rivoli, 75004 Paris Cedex 01. Tel: (01) 4397 0621; Fax: (01) 4397 0629. Editor: Richard Lambert. Printer: S.A. Nord Sédici, 1521 Rue de Caen, 59100 Roubaix Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67800.

Registered office: Number One, Southwark Bridge, London SE1 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholder: The Financial Times Limited. The Financial Times News Limited. Publishing director: J. Rolley. 100 Rue de Rivoli, 75004 Paris Cedex 01. Tel: (01) 4397 0621; Fax: (01) 4397 0629. Editor: Richard Lambert. Printer: S.A. Nord Sédici, 1521 Rue de Caen, 59100 Roubaix Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67800.

Registered office: Number One, Southwark Bridge, London SE1 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholder: The Financial Times Limited. The Financial Times News Limited. Publishing director: J. Rolley. 100 Rue de Rivoli, 75004 Paris Cedex 01. Tel: (01) 4397 0621; Fax: (01) 4397 0629. Editor: Richard Lambert. Printer: S.A. Nord Sédici, 1521 Rue de Caen, 59100 Roubaix Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67800.

Registered office: Number One, Southwark Bridge, London SE1 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholder: The Financial Times Limited. The Financial Times News Limited. Publishing director: J. Rolley. 100 Rue de Rivoli, 75004 Paris Cedex 01. Tel: (01) 4397 0621; Fax: (01) 4397 0629. Editor: Richard Lambert. Printer: S.A. Nord Sédici, 1521 Rue de Caen, 59100 Roubaix Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67800.

Registered office: Number One, Southwark Bridge, London SE1 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholder: The Financial Times Limited. The Financial Times News Limited. Publishing director: J. Rolley. 100 Rue de Rivoli, 75004 Paris Cedex 01. Tel: (01) 4397 0621; Fax: (01) 4397 0629. Editor: Richard Lambert. Printer: S.A. Nord Sédici, 1521 Rue de Caen, 59100 Roubaix Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67800.

## French cohabitation unlikely to follow path of true love

The right is heading for a crushing election victory, but President Mitterrand has plenty of tricks in store, writes William Dawkins



ASSEMBLÉE NATIONALE

FRANCE is soon to become embroiled in a constitutional chess game between the wily but ageing President François Mitterrand and a powerful but fragmented right-wing.

The next move will be the March parliamentary election, where the Socialists face crushing defeat by a coalition of RPR Gaullists and the centre-right UDF, who, if recent polls are right, will take at least 400 seats in the 577-seat national assembly.

This will usher in a second period of "cohabitation" between a left-wing president and right-wing government. The right is likely to have a far larger majority this time than in the first, in 1986-88, and Mr Mitterrand is much less popular now than then. It is seen as the beginning of the end for Mr Mitterrand, 76, whose term runs out in two years.

But as usual, he has a few tricks up his sleeve. Mr Mitterrand has distanced himself from daily politics and even from his own party, to concentrate on what looks at first like a somewhat academic plan to reform the constitution.

Yet it is far from that. Mr Mitterrand has taken the high ground in a running public debate, led by the right which campaigns against Mr Mitterrand's "monarchical drift", on whether France wants to move from a presidential system to a more parliamentary style of democracy.

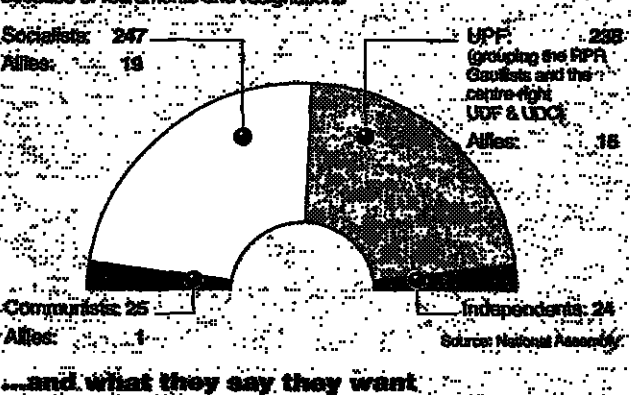
In this way he has chosen, following Napoleon's first rule of engagement, his own battlefield for the election campaign which is now getting under way and for the early days of the next national assembly.

The main drift of the reform plan, launched by Mr Mitterrand last month, is to strengthen one of Europe's weakest parliaments at the expense of the prime minister and government, but not of the president.

He has suggested, for example, curbs on the government's freedom to override parliament. The government has in the past four years resorted 19 times to a guillotine motion under the constitution's Article 49-3 to pass legislation without a vote, a technique



The National Assembly, 577 seats, of which eight are currently unfilled because of resignations and retirements.



Source: Polls of voter intentions conducted by Gallup for Le Journal du Dimanche.

which has contributed to the Socialist party's unpopularity. A shortening of the seven-year presidential term is also up for discussion, though Mr Mitterrand says this would apply to future presidents, not him.

A consultative committee of lawyers and academics invited by the government and boycotted by the right, is due to report to the president on constitutional reform by February 15. He will then table his plan, one of the first pieces of legislation to be discussed by the new parliament at its first sitting starting on April 2, less than a week after the election.

The opposition suspects this is another Mitterrand trap to unsettle the new government. Others believe it is no more than a struggle for personal power. Mr Mitterrand's approach to the first cohabitation government - to preserve essential policies and prepare for the next presidential election - has given way to "a strategy of personal convenience", writes Jean-Marie Colombani, Le Monde's political editor.

Mr Edouard Balladur, a former RPR finance minister, who masterminded policy in the last cohabitation government, is hotly tipped for the job. Mr Jacques Chirac, the RPR leader and former prime minister, does not want to stand again because he has presidential ambitions. Mr Balladur has kept aloof enough from the fray to be able to work with Mr Mitterrand. In the end, the leader of the next right government depends on Mr Mitterrand's private instincts - and they will remain private until he alone decides the time is right.

"The Government and Politics of France" by Vincent Wright. 3rd ed. Unwin Hyman, London, 1989.

In practice, the end of the succession of Socialist governments going back to 1981 will mean little change to daily life.

For one thing, the leadership of the right holds almost the same policies as the Socialists on most of the big issues of the day, including the need to defend the franc, on foreign policy, privatisation and on employment.

The election would be lost on the Socialists' battered image and personalities, rather than on ideas. Differences within the right on some issues, like the strong franc, are far greater than between the leadership of the right and of the Socialists.

Furthermore, the right's expected majority would be so large that it would be under no obvious pressure to change, barring a serious revolution within the ranks.

Much of what happens next in Mr Mitterrand's constitutional power struggle will depend on the skill of the next prime minister in weaving his way round the right's internal splits and the president's tactics. Here Mr Mitterrand holds an important advantage, for only he has the right to choose the prime minister, who then has to carry out an uncomfortable balancing act between running the government competently and not overshadowing the president. "He must not fail, otherwise he runs the risk of being sacked...still more so would be the ultimate impertinence," the satirical newspaper Canard Enchaîné once wrote.

Mr Edouard Balladur, a former RPR finance minister, who masterminded policy in the last cohabitation government, is hotly tipped for the job. Mr Jacques Chirac, the RPR leader and former prime minister, does not want to stand again because he has presidential ambitions. Mr Balladur has kept aloof enough from the fray to be able to work with Mr Mitterrand. In the end, the leader of the next right government depends on Mr Mitterrand's private instincts - and they will remain private until he alone decides the time is right.

"The Government and Politics of France" by Vincent Wright. 3rd ed. Unwin Hyman, London, 1989.

## EC agrees terms for \$10bn loan to Italy

By Andrew Hill in Brussels

THE EC's monetary committee last night approved the terms for an Ecu8bn (\$8.84bn) balance of payments loan to Italy.



## Algerians to vote on new constitution

By Francis Ghille

ALGERIA'S acting head of state, Mr. Ali Kafi, yesterday promised a referendum on the future of North Africa's largest country whose security forces have, for the past 12 months, been mired in ever bloodier confrontation with radical Islamic groups.

The referendum would submit to the Algerian people a draft new constitution and seek their endorsement for a transitional arrangement before a new constitution was enacted.

Mr Kafi promised that political parties would be invited to give their views on future strategy but added that "all those who practised or supported violence" would be excluded.

This was a clear reference to those Algerians who support the Islamic Salvation Front which was banned last February after Algerian leaders called the second round of elections the party was poised to win.

Other smaller Islamic parties such as Ennahda would, however, be asked to join in such talks.

Mr Kafi is a founding member of the five-man High State Council (HCE) which has acted as the country's collective presidency since the former head of state, Mr. Chadli Bendjedid, resigned a year ago.

He has chaired the HCE since the sacking of Mr. Mohamed Boudiaf, who returned last January from 28 years' exile in Morocco to become acting president.

Mr Kafi did not suggest any precise date on which the referendum might be held, but most observers assume it is likely to take place later this year.

The High State Council members have proclaimed on more than one occasion that they did not wish to hold office beyond December 1993, when Mr Chadli's third term of office was due to end, nor would any of them stand in any future presidential election.

Meanwhile, the visit by Mr. Roland Dumas, the French foreign minister, to Algiers last weekend, and Defence Minister Khaled Mezzar's present visit to Saudi Arabia, have helped to break the semi-quarantine the country's leaders have been held in since last January's events.

Mr Dumas promised that France would "express its friendship by other means than mere words".

This can be taken as a strong pointer that his government will extend a helping financial hand to a country whose foreign debt service ratio of 75 per cent leaves it scant room to import the raw materials necessary to increase industrial output.

## Cabin crew strike hits Cathay Pacific

CATHAY PACIFIC, Hong Kong's international airline, was last night facing its worst industrial action since 1985 after cabin crews went on strike, claiming the airline had inadequate staffing levels, writes Simon Holberton in Hong Kong.

Half of Cathay's 28 outbound flights and 13 of its 31 inbound flights were cancelled. The company was unable to determine how many of the 4,000 cabin attendants were on strike.

Industrial action is virtually unknown in Hong Kong. Cathay's last serious dispute was in 1985, when ground staff went on strike.

The dispute centres on Cathay's requirement that its cabin attendants accept working "out of position". This has meant that senior cabin attendants have had to operate in junior positions in the event of a staff shortage due to sickness. A Flight Attendants Union official said yesterday Cathay employed 300 fewer cabin attendants than it should, but the company denied this. "There is no shortage of cabin attendants, our staff grows in line with the growth in our fleet," it said.

Hong Kong's Labour Department offered to mediate in the dispute, which has been brewing over the past three months.

## Japan wants more co-operation in Asia

By Kieran Cooke in Kuala Lumpur

MR KISHI Miyazawa, Japanese prime minister, said yesterday Japan wanted to promote co-operation and resilience in Asia and denied any plans to make Japan a regional military power.

Mr Miyazawa, in Malaysia as part of a South-East Asia tour, said the continued presence of US forces in the region was vital and Japan was providing increasing support to the US military. "We do not want to see a power vacuum in the region," a Japanese official said.

In talks with Dr Mahathir

Mohamad, Malaysian prime minister, Mr Miyazawa outlined Japan's new "Look East" policy, which suggests a greater regional role for Japan in the years ahead.

But while Mr Miyazawa said Japan wanted to create greater economic and political co-operation in the region, he declined to endorse Dr Mahathir's proposal for an east Asia economic caucus, a trading group linking the fast-expanding economies of east Asia.

Malaysia feels this would be vital to counter what it sees as increasing protectionism in the European Community and the NAFTA.

## US businesses plan a return to Vietnam

The war is nearly over and the trade embargo may soon be dropped, Our New York Staff report

AMERICAN companies are beginning to weigh up business prospects in Vietnam following a White House move last month which paved the way for eventual removal of the long-standing US embargo on the Communist nation.

In one of the clearest signs of growing US business interest, a group of executives from some two dozen US companies will visit the country early next month under the auspices of the new Vietnam-American Chamber of Commerce.

It will be the first US business mission to be formally received by the Hanoi government, according to the chamber's president, Mr. Irwin Robinson, a New York lawyer. The aim, he says, "will be to maximise knowledge of opportunities for US companies."

The US has enforced its trade ban since the Vietnam war but over the past year the White House has allowed a few exceptions. For example, a ban on telecommunications links was lifted in April 1992.

The biggest move yet came on December 14 when President George Bush signed an order permitting US companies to sign contracts with Vietnamese parties and open

offices there. However, contracts can only be executed if relations are normalised.

There has been speculation that Mr Bush could do this before he leaves office on January 20, if Hanoi meets the White House's demands for the fullest possible accounting for missing American servicemen and prisoners of war, including repatriation of their remains.

However, there remains very little time for Vietnam to make these concessions, while Mr Bush may be reluctant to stir up the right-wing outcry such a move would provoke.

The new Clinton administration, for its part, is likely to have much more pressing concerns, and President-elect Bill Clinton may be wary of normalising relations rapidly, given the election campaign controversy over his Vietnam draft record.

Whenever the ban is lifted, it is bound to provoke a sharp increase in US business interest, not least because this will also trigger a wave of aid to the country from institutions such as the World Bank, creating opportunities for capital equipment and construction contracts.

However, Mr Nicholas Ludlow, managing director of

Development Bank Associates, a Washington-based consultancy, says the economy is so under-developed that it has limited capacity to absorb new trade and investment.

"I think there will be a wave of excitement, then tempered

of the Vietnam-American Chamber of Commerce include Federal Express, the package delivery company, Honeywell, the controls group, KPMG Peat Marwick, the accountants, and ITT.

Sectors likely to be particu-

larly interested in Vietnam include:

● Airlines. A number of US carriers may be interested in serving the market - particularly those such as United and Northwest Airlines, which have a strong presence in the Far East already.

Procedurally, the first step would be for the Department of Transportation to negotiate a bilateral aviation agreement, setting permitted levels of service and agreeing the number of providers, with the Vietnamese. The aviation authorities would then seek applications to serve the route.

Minneapolis-based Northwest makes no secret of its enthusiasm. "We've been inter-

### President Clinton may be wary of normalising relations rapidly, given the election campaign controversy over his Vietnam draft record

by a more realistic view of the prospects," he says. "Companies will do best which realise Vietnam is a long-term prospect."

Guocang Huan, of the emerging markets group at J.P. Morgan, the New York bank, says the country's extremely low wage costs, currently about a tenth of Taiwan's and Korea's, could make it attractive for investment by labour-intensive US companies. He argues that industries such as electronics and textiles are most likely to prosper in Vietnam, together with tourism.

However, companies from across the US business spectrum are starting to focus on the country. The 21 members

of the Vietnam-American Chamber of Commerce include Federal Express, the package delivery company, Honeywell, the controls group, KPMG Peat Marwick, the accountants, and ITT.

Sectors likely to be particularly interested in Vietnam include:

● Airlines. A number of US carriers may be interested in serving the market - particularly those such as United and Northwest Airlines, which have a strong presence in the Far East already.

Procedurally, the first step would be for the Department of Transportation to negotiate a bilateral aviation agreement, setting permitted levels of service and agreeing the number of providers, with the Vietnamese. The aviation authorities would then seek applications to serve the route.

Minneapolis-based Northwest makes no secret of its enthusiasm. "We've been inter-

ested in serving Vietnam for several years. We see it as a growing and promising market," it says.

● Banks. A number are interested in returning to Vietnam, including Bank of America, Chase Manhattan and Citibank, each of which had branches in Saigon before the Americans were driven out of South Vietnam in 1975.

The Bank of America says: "We have definitely expressed our interest in a return to Vietnam." The bank said that as a preliminary step last summer it had opened an Indochina representative office in Hong Kong, whose operations would be moved to Vietnam if the US embargo were lifted.

One matter that will need to be sorted out before banks return is the issue of unresolved claims by depositors dating back to Communist takeover of South Vietnam.

● Oil. US companies are keen to explore the South China Sea, with three companies - Amoco, Chevron and Mobil - giving the most active consideration to a business plan.

Chevron said it had held discussions with the Vietnamese "on and off with regard to possible opportunities for exploring and producing offshore in

the South China Sea, but we don't have any contracts."

Chevron said it had examined geological data and was "interested in the possibilities."

Mobil was more direct: "Should the embargo end we would be most interested to be there. In the meantime we will explore some potential opportunities by talking to potential partners."

● Telecommunications. American Telephone & Telegraph and MCI Communications, the two largest long-distance US carriers, have begun to provide long-distance services to Vietnam following the relaxation of the ban last April. MCI says it is sending a team to Vietnam in the first quarter to discuss additional services, such as allowing customers to call the US collect. But it says it has no interest in the domestic Vietnamese market.

● Consumer products. Atlanta-based Coca-Cola says it "would certainly look at Vietnam" if trade relations normalise - in line with a general policy of examining all potential new markets.

Contributors: Martin Dickson, Alan Friedman, Patrick Harverson and Nikki Tai.

## US, Japan clash as vote on top WHO job looms

By Frances Williams in Geneva

NEXT Wednesday the 31 executive board members of the World Health Organisation are due to cast their votes for director-general of the United Nations agency, bringing to a head a long and unusually bitter election campaign that has set the US and Japan at loggerheads.

An internal US State Department paper has accused Japan of "aggressive tactics, including the pursuit of votes in exchange for favours" in the quest for support for the incumbent Japanese director-general, Dr Hiroshi Nakajima.

Japan, which strongly denies the charge, claims the US government is waging a disinformation campaign against it and Dr Nakajima, based on little more than the personal animosities of a few key officials at the US health department.

For Tokyo, the re-election of Dr Nakajima for a second five-year term has become not simply a matter of national pride but a crucial test of international good faith in urging Japan to take a greater role in world affairs.

"In the eyes of the Japanese people, Dr Nakajima is a symbol of Japan's contribution to the international community," says Mr Masao Kawai, a senior official in the Japanese Foreign Ministry. The WHO chief is the only Japanese to have been elected (rather than appointed) to a top UN position.

The US is backing the candidacy of Dr Mohamed Abdelmoumene, an Algerian neurologist, who was Dr Nakajima's deputy at the WHO until sacked from his post last August after announcing he would run against his boss. Dr Abdelmoumene, who says he was asked to stand for director-general by a number of rich and poor countries, has the official backing of the European Community and the Arab League, but Dr Nakajima claims strong support from developing countries who are in the majority on the executive board.

The US pays about a quarter of the WHO's \$550m (£552m) annual budget. Japan, which has rapidly increased contributions since Dr Nakajima took over as director-general, to become WHO's second-biggest paymaster, last year paid about \$57m. Both governments deny that contributions will be cut if the wrong man wins.

US officials say their opposition to Dr Nakajima is based solely on concern for the ability of WHO effectively to tackle big health challenges.

Within the WHO itself, executive board members are allegedly being wooed with top-level visits, promises of aid and top jobs - practices, it must be said, which are widespread throughout the UN system, often backed by national governments.

US officials too are alleged to have hinted that American backing for WHO activities could wane if Dr Nakajima is re-elected.

Dr Nakajima's faults, on the face of it, do not seem very grave. He is accused of an authoritarian management style, of travelling too much and of being a poor communicator. Furthermore, he was involved in an embarrassing incident last year after an official visit to Russia when customs officials at a Moscow airport confiscated six icons in his baggage which he had not declared.

Dr Nakajima's supporters argue that he has improved the running of the organisation since taking over in 1988 from Dr Halfdan Mahler, a Dane, and that he has initiated valuable work to achieve "basic health" in developing countries.

However, it is clear that Dr Nakajima has not won the hearts and minds of WHO staff, who complain of a lack of vision and leadership. There has been a steady exodus of senior officials, including the sudden resignation in March 1990 of Dr Jonathan Mann, a high-profile American who headed WHO's programme on AIDS.

Dr Nakajima's supporters argue that he has improved the running of the organisation since taking over in 1988 from Dr Halfdan Mahler, a Dane, and that he has initiated valuable work to achieve "basic health" in developing countries.

However, it is clear that Dr Nakajima has not won the hearts and minds of WHO staff, who complain of a lack of vision and leadership. There has been a steady exodus of senior officials, including the sudden resignation in March 1990 of Dr Jonathan Mann, a high-profile American who headed WHO's programme on AIDS.

US officials say their opposition to Dr Nakajima is based solely on concern for the ability of WHO effectively to tackle big health challenges.

Within the WHO itself, executive board members are allegedly being wooed with top-level visits, promises of aid and top jobs - practices, it must be said, which are widespread throughout the UN system, often backed by national governments.

US officials too are alleged to have hinted that American backing for WHO activities could wane if Dr Nakajima is re-elected.



A HUGE new mural adorns Iraq's baby milk factory, which became one of its most potent symbols from the Gulf war. The factory, which went into production this week, was flattened by the Western allies, who claimed it was a secret chemical weapons plant. However, its reopening will provide little more than a symbolic dent in Iraq's need for baby milk. The issue of what use the factory was put to before the war has never been fully resolved. Iraq has consistently denied it mixed or stored chemicals there.

## Karachi awaits next move by army

By Farhan Bokhari in Karachi

BUSINESSES in Karachi, Pakistan's commercial heart, have relaxed their guard since the army was sent last May to restore order in the southern province of Sindh, of which it is the capital.

The army says over a hundred gangs involved in robberies, kidnappings, car thefts and drug peddling have been smashed in Karachi, and no kidnappings for ransom have taken place in the last two months. Before the troops arrived, kidnappings of businessmen were frequent.

Signs of improved law and order are visible on the streets. Many shops are open later, and businessmen previously afraid of being kidnapped or robbed are more relaxed when travelling. "The situation has improved since the army has

come in. We feel much more secure than before," says Mr Ali Mashhadi, a carpet dealer.

However, security is due to be reviewed this month. The government could order the troops back to barracks if the situation was judged to have improved sufficiently.

There are signs of differences between civilian and military leaders over the future of the operation.

The provincial government of Mr Muzaffar Hussain Shah, which is backed by the ruling alliance of Mr Nawaz Sharif, prime minister, wants the army to stay until there is complete assurance that gangs of criminals will not resurface, a senior official says.

Generals are concerned, however, that improvement in law and order needs to be backed by socio-economic measures to curb poverty, rising unemploy-

ment and drug addiction. Only with such action, they argue, will long-term improvement in the security situation be assured. "The malaise is political, economic and social. This is not a military problem," says one general.

Unemployed young people in Karachi's growing slums are prime targets for recruitment to crime gangs.

The chairman of a large industrial company says: "Good municipal planning to cater for the needs of ordinary people is an absolute must for improving conditions in Karachi. Unfortunately, there is very little of that going on right now."

Some businessmen argue that to ensure long term socio-economic development, the government in Islamabad should introduce tax incentives to accelerate business

growth in Karachi, stimulating employment.

Mr Tahir Khalig of Karachi's chamber of commerce says new investments are badly needed and will only come if there are new concessions. He is concerned about the possibility of political troubles if the army pulls out. The army operation led to the discovery of torture cells and extortion rings in Karachi, allegedly run by the Mohajir Qaumi Movement, a party for Muslims who had migrated from India.

Businessmen are waiting anxiously for the government's decision. Mr Khalig says: "If the government is confident that things have certainly improved and if they feel that the army can be called back, I just hope that they know what they are doing and they realise fully what could be the consequences."

## UN struggles to avert Angola nightmare

Michael Holman on the waning prospects for a lasting end to the 16-year conflict

IT HAD the makings of a nightmare, the senior UN official said last May when contemplating the biggest obstacle in the path of Angola's transition from 16 years of civil war to multi-party democracy.

The demobilisation of the country's rival armies was going badly, he warned; weapons were cached, discipline was poor, and the timetable was slipping.

Less than a year later, his grim vision has become reality as Angola slides back into civil war, triggered by Unita leader Jonas Savimbi's rejection of the September election which gave victory to President Eduardo dos Santos and the ruling MPLA.

Over 1,500 people are reported to have died in the past two weeks and fighting continued yesterday in and around Huambo, the central highlands city currently held by Unita.

Last-ditch efforts to restore peace, in which Ms Margaret Anstee, the UN special representative based in Luanda, will play a key role, may yet bear fruit. Diplomats in the Angolan capital said Mr Venancio de

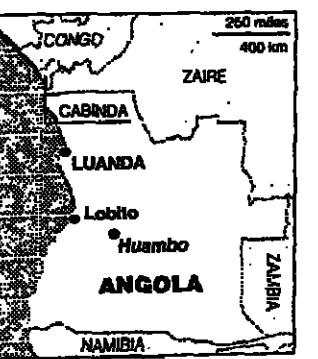
Moura, the country's foreign minister, had on Tuesday at a meeting with Portuguese, Russian and US observers and Ms Anstee, formally proposed talks with Unita.

But western diplomats warn that forging a lasting settlement will be a frustrating process, undermined by old enmities, tribal rivalries, Mr Savimbi's overriding ambition, and the temptation of controlling proceeds from the country's 500,000 b/d oil sector.

Should peace efforts fail, an early military victory for either side seems unlikely, they say. Instead, there will be what a UN diplomat yesterday called "a process of mutual enfeeblement until both forces go back to the negotiating table".

No one is sure how long that would take. A broad assessment by western analysts puts the MPLA in control of the main towns, while Unita can operate relatively freely in 75 per cent of the countryside.

Both sides have lost allies: the 50,000-strong Cuban contingent that fought alongside the MPLA has long since departed. Namibia's independence has deprived Unita of what amounted to a rear base in the



formerly South African-controlled territory. Pretoria, which sent troops into Angola in support of Unita, seems unlikely again to come to the help of Mr Savimbi in any substantial way.

Zaire remains a valuable Unita ally, but its role as a conduit for US military and other assistance ended with the departure of the Cubans. Meanwhile Washington has increasingly distanced itself from Mr Savimbi, embarrassed by his human rights record, and sceptical of his claims of election rigging. The incoming Democrat administration will take an even tougher stand.

Units has also been weakened by divisions within its ranks, which came to a head last year when senior officials deserted Mr Savimbi following the murder of a former aide. Tensions remain, illustrated earlier this week when Mr Abel Chivukuvuku, Unita's secretary for foreign affairs, and General Peregrino Huambo, its military intelligence chief, called for an immediate end to fighting.

Both men were captured in October during fighting in Luanda which saw Unita driven from the capital. But whether speaking under duress or not, their absence from the battlefield must be a blow to Mr Savimbi.

Whatever the outcome of mediation efforts, no one doubts that Angola's best chance for peace was squandered last year. Implementation of the peace plan was weak, the timetable proved unrealistic and resources for the exercise were too few.

Central to the success of the transition was the requirement that soldiers and guerrillas from rival armies report to 50 assembly points, to be monitored by UN forces, before being demobilised or entering

an integrated national army. Both sides were suspected of caching weapons and those that were surrendered were not securely held.

As election day approached, only 1,500 soldiers had been sworn in to an integrated national army supposed to number 40,000. Tens of thousands of government and Unita soldiers were still in demobilisation camps, most of them with ready access to weapons.

A further 40,000 men of the 150,000-strong combined forces had yet to be demobilised.

Western diplomats now acknowledge that they could have acted differently, insisting that elections could not proceed until both sides respected the terms of the peace pact signed in May 1991.

"As I listened to the speeches that evening and watched MPLA and Unita leaders mingling, I knew that we were celebrating the end of an era," wrote Mr Chester Crocker, predecessor to Mr Cohen, and the architect of the south-west African settlement.

It proved premature. This time round, scepticism, not optimism, is the mood of Angola's would-be peace makers.

## Australian jobless rate declines

By Kevin Brown in Sydney

AUSTRALIA'S unemployment rate fell by 0.1 points to 11.3 per cent in December, the government said yesterday.

Mr Peter Baldwin, the junior employment minister, said the fall was consistent with continued growth in the economy, which is recovering from an 18-month recession.

However, economists said it was probably a technical correction following a large increase in the previous month. Unemployment is likely to rise over the next three months as school leavers enter the employment market.

The weak job market will contribute to growing pressure on the government to produce a fiscal stimulus before the next election, which will be held by June. Mr Paul Keating, the Labor prime minister, is believed to have been working on a series of policy proposals to be announced before the election is called.

The government is unlikely to stimulate the economy by easing monetary policy because of continued weakness of the Australian dollar.

## Sri Lanka rebel leader urges talks

By Mervyn de Silva in Colombo

MR Velupillai Prabhakaran, leader of the separatist Tamil Tigers, has called for peace talks to end Sri Lanka's 10-year civil war, after meeting a church delegation in Jaffna, the island's northern capital, last week.

Mr Kenneth Fernando, the Anglican Archbishop of Colombo and leader of the delegation, said on his return to the capital yesterday that Mr Prabhakaran had called for an immediate ceasefire and the

holding of peace talks. In a rare public appearance Mr Prabhakaran, recently charged in an Indian court with masterminding the assassination of Mr Rajiv Gandhi, had set out conditions for negotiations with the government, he said.

The Tigers (Liberation Tigers of Tamil Eelam) wanted the "economic blockade" of the northern peninsula lifted. The government must also pledge the reconstruction of the northern province and the rehabilitation of about 100,000 Tamil refugees.



## NEWS: THE AMERICAS

## Peru to sign IMF letter of intent

By Sally Bowen in Lima

PERU, apparently abandoning plans to extract significant concessions from the International Monetary Fund, is expected to sign today in Washington an IMF letter of intent to frame economic policy until 1995.

This, and the subsequent formation of a "support group" of friendly governments to bridge debt repayments to the multilateral lending organisations, will mean that "the reinsertion of Peru into the international financial community is definitive," according to President Alberto Fujimori.

Mr Jorge Camet, the new economy minister, who succeeded Mr Carlos Bolloña last week, is not expected to announce any significant concessions in the programme negotiated by his predecessor last year.

This is despite domestic demands for increased spending, and a personal plea in mid-December from Mr Fujimori to Mr Michel Camdessus, IMF managing director, that Peru should be allowed greater economic flexibility this year.

The realisation that the imminent US administration handover may not improve Peru's negotiating position seems to have lent urgency to the new team's willingness to sign.

Agreement with the IMF is a prerequisite for looming Peruvian negotiations with the Paris Club, and for rescheduling arrears with the World Bank and private banks.

It is hoped to resolve Peru's immediate but complex arrears position by paying off \$970m owing to the World Bank through a one-day bridging loan from Citibank. Peru would then use \$1bn in fresh funds from the World Bank to repay Citibank.

Signature of the letter of intent will also allow the IMF's extended fund facility to come into operation. Short-term finance from friendly governments will permit the clearing of \$900m in IMF arrears.

## CBS Television buys some expensive chat

By Alan Friedman in New York

DAVID LETTERMAN, a 45-year-old comedian and chat show host from Indianapolis, was last night set to be poached from NBC by CBS Television for a salary of about \$18m a year, making him the world's best-paid chat show

host. For CBS, the network controlled by Mr Larry Tisch, the billionaire investor, hiring Mr Letterman would be a potentially profitable coup.

Both networks were scrambling yesterday to arrange press conferences, with NBC, a subsidiary of General Electric, planning to announce in Los

Angeles that it had decided not to match the CBS offer.

Mr Letterman, an articulate showman who hosts an offbeat chat show starting at 12.30am, has been unhappy since he lost the chance last spring to take over the Tonight Show when Johnny Carson retired. Instead of Mr Letterman,

NBC named Jay Leno, a square-jawed comedian who has been panned by many critics, to host the Tonight Show, which is broadcast for an hour from 11.30 in the evening. That put Mr Leno up against ABC's Nightline with Ted Koppel, the influential current affairs programme. CBS was only able to

offer mysteries and movies in this important time slot.

By moving from NBC to CBS Mr Letterman would not only fulfil his ambitions by launching a programme competing directly with the Tonight Show, but he would also double his salary. His negotiations have been handled by Mr Mich-

ael Ovitz, the head of Creative Artists Agency, the most powerful talent agency in the US.

NBC's management has been criticised for a sharp decline in audience ratings over the past two years. General Electric is believed to be interested in selling the network provided it can obtain the right price.

## Testing times for the Clinton team

Jurek Martin reports on the perils of being offered a job by a president-elect

IT IS one thing to be chosen to serve as a senior member of a US administration. It can be another successfully to run the gauntlet of official and media scrutiny and be confirmed, unscathed and with reputation intact, in the job.

This has been very much the experience of President-elect Bill Clinton's nominees. It is still unlikely that any will either be rejected by the Senate or the fate of Mr John Tower, President George Bush's defence secretary designate - or have to withdraw from consideration - as happened to Mr Ernest Lefever, a controversial Reagan choice in 1981 for a senior State Department position.

But such is the intensity of interest in the life and careers of those chosen that few emerge unbruised. Probably even more know that they were not selected because of something in their backgrounds that rendered them too suspect. Those conspicuously affected by publicly disclosed problems include:

● Ron Brown, commerce secretary-to-be: on Wednesday a planned gala in his honour was cancelled because its cost was being underwritten by those corporations he might find himself dealing with in the cabinet. Though the event was planned before he was nominated and to recognise his achievements as Democratic party national chairman, it looked too cosy for comfort and Mr Clinton urged him to call it off.

● Zoe Baird, the choice for attorney general: the New York Times reported yesterday, on the basis of information supplied to Mr Clinton's staff and to the FBI by Ms Baird herself, that she had employed a Peruvian couple as housekeepers knowing them to be illegal aliens. The practice may be commonplace, especially in Washington, but is potentially embarrassing for anybody picked to be the country's

Such is the interest in the lives of those chosen that few are unbruised by the process of scrutiny

chief law enforcement officer.

● Warren Christopher, nominee for secretary of state, has had to address the issue of what he knew 25 years ago as deputy attorney general about US army covert surveillance of civil rights and anti-war activists. This investigation, not in the least threatening to his confirmation, is the handiwork of Senator Jesse Helms, the Republican Senator from North Carolina and self-appointed scourge of anybody associated with President Jimmy Carter's foreign policy.

● Robert Reich and Laura Tyson, prospective labour secretary and head

of the Council of Economic Advisers, have been on the receiving end of much professional jealousy from classical economists.

● Mickey Kantor, chosen to be trade representative, a field in which he has no track record, has similarly been denigrated by trade specialists.

More generally, lots of eggs have been bruised by Mr Clinton's relentless pursuit of diversity in his appointments, to the point where any number of disgruntled hopefuls now freely complain they have been left out because they are white and male.

This has been very much a "top down" transitional operation, run by the Clintons themselves and using their extensive networks of contacts, not all of which are confined to the well-known special and professional interest groups.

Mr Richard Riley, the able former governor of South Carolina and education secretary-designate, has been their chief Washington eyes and ears, with genuine vetting influence, but real power has continued to reside in Little Rock. This can frustrate the capital's barons who expect to be able to place their people in senior jobs, especially since Mr Clinton seems to take his time making up his mind.

However, the Clintons are also the victims of circumstance. All prospective nominees to senior positions are subject to rigorous FBI background checks. Mr Frank Weil, Mr Carter's first commerce secretary, recalls the

alarm of fishermen at his Maine holiday home at being contacted by the FBI. Ms Baird, presumably sensing a problem that could not be kept under wraps, volunteered her information.

Investigations are also pursued by both the media and the political opposition, a fact of life with which Mr Clinton himself is only too familiar from last year's campaign. Republican questioning of nominees has to date been pretty soft and unrelenting, but the process has barely begun, with as many as 1,000 appointments subject to Senate confirmation.

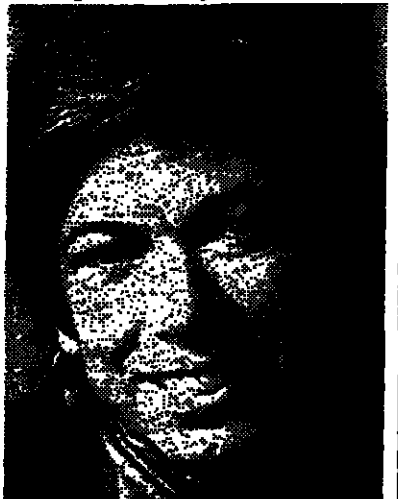
Transitions are, by definition, ephemeral, but they are also dangerous, particularly when a different party takes over the administration. By the time Mr Carter took office in 1977, the word in Washington was that if his government was no better than his transition staff then it would not fare well.

No such closet conviction yet seriously attaches to Mr Clinton's transition. Mr Brown is the only nominee whose professional career seems to conflict with Mr Clinton's promise of a new and open way of doing things, but even his critics acknowledge that he has been good at whatever task he has turned his formidable talents to.

Interest will also soon switch to Mr Clinton's policies and away from those he chooses to implement them. From the president-elect's perspective, the inauguration probably cannot come soon enough.



Reich (above) and Tyson: targets of much professional jealousy



## Haitian avalanche 'ready to fall on US'

AN EXPECTED "massive influx" of Haitians may be one of the first foreign policy crises President-elect Bill Clinton has to face, Mr Dick Cheney, defence secretary, said yesterday, AP reports.

"The evidence is there that thousands, perhaps hundreds of thousands, of Haitians are in fact preparing to descend upon Florida" as soon as Mr Clinton takes office, Mr Cheney said.

Meanwhile, Haiti's deposed President Jean-Bertrand Aristide is urging his country's military-backed government "to accept a large force of international observers to restore order in the Caribbean nation and prevent a mass exodus."

US officials said on Wednesday that Mr Aristide was sending a letter to Haiti's rulers in an attempt to break the logjam in international efforts to restore the democratically elected president to power.

Aides to Mr Aristide said the letter - written under pressure from the Bush administration and Clinton associates - would be conveyed to the heads of the Organisation of American States and of the United Nations.

The OAS will send an emissary with the letter to Haiti's government in Port-au-Prince, said Mr Michael Barnes, a former congressman and now counsel to Mr Aristide.

Mr Barnes said the letter would call for the immediate dispatch of hundreds of UN and OAS observers to oversee the restoration of order and civil rights. It would also call for Haiti's parliament to approve an interim prime minister who would work for Mr Aristide's return.

Once parliament approved the interim prime minister, the US and its allies would lift the trade embargo they imposed on Haiti after Mr Aristide was ousted by a military coup in September 1991.

Mr Warren Christopher, secretary of state-designate, said at his confirmation hearing on Wednesday that the intensive efforts to bring about an agreement in Haiti "are quite promising this week."

## Brazilian Senate vote may free ports from archaic regulations

By Christina Lamb in Rio de Janeiro

AFTER two years of struggle a decisive vote was underway last night in the Brazilian Senate on a controversial project to deregulate the port system. The proposed legislation,

which would allow the ports to be privatised, is considered crucial to the government's programme of modernisation and boosting exports.

One of the country's most glaring examples of inefficiency, Brazil's 35 ports are riddled with corruption and

bureaucracy, served by archaic equipment, subject to 49 different taxes, and governed by legislation unchanged since 1934 guaranteeing a monopoly for the stevedores' union. Port users must contract labour from the union which decides the rates and numbers needed.

According to the Association of Exporters (AEB), Brazilian port costs are the highest in the world. At the main port of Santos charges amount to \$51.30 (£23.70) per tonne compared to \$15 in Buenos Aires and \$4.50 in Antwerp. As a result, says Mr Pratini de

Moraes, head of the AEB, "we're throwing away \$5bn a year in exports and \$50,000 potential jobs".

Some 97 per cent of all cargo into and out of Brazil passes through sea ports and these high costs explain why, despite a significant reduction

in tariffs, trade remains at 5 per cent of Brazil's GNP, one of the lowest levels in the world. Exports have stagnated at between \$33bn-\$38bn for a decade and port reform is seen as fundamental to the new government's plans to increase this to \$50bn by next year.

## NEWS: WORLD TRADE

## Mexico sees clear road to Nafta accord

By Stephen Fidler, Latin America Editor

THE Mexican government is continuing to work on the assumption that the North American Free Trade Agreement (Nafta) between Canada, Mexico and the US will be implemented at the beginning of next year.

A senior official, commenting on last week's talks between President Carlos Salinas and US President-elect Bill Clinton, said the latter had made clear he had no wish to reopen negotiations on the agreement proper.

The official said Mexico had been advised this week that Mr Mickey Kantor, a long-time Clinton adviser and nominee for the post of US trade representative, would be appointed to tackle the bilateral issues that arise from Nafta.

Mr Clinton underlined at a two-hour meeting with Mr Salinas in Austin, Texas, that he would not send the enabling Nafta legislation to Congress without first negotiating two side accords: on the environment and on jobs protection.

Mr Salinas expressed willingness to talk about them, as long as they did not infringe Mexican sovereignty, that they

made economic sense, and would not contradict what had already been agreed in Nafta.

The official, speaking on condition he not be identified, said his understanding was that Mr Clinton would not insist on a third side accord mentioned by some supporters: preventing import "surges". This, he said, was a trade matter already covered in Nafta, and would mean reopening negotiations.

While it was unclear how difficult the negotiations would be on environment and labour, it was conceivable that co-operative agreements would not even require legislation. In any case, many of the issues related to jobs - such as the training of displaced workers - were domestic, rather than bilateral, matters.

He suggested that if the negotiations became tough, the Mexicans would be more likely to insist on consideration of two other issues: migration and development funding.

The timetable suggests the agreement would be presented for ratification in the Canadian parliament by March, in the Mexican senate in June and in the US Congress before or after the August recess. This would allow it to be put into effect next January.



US trade representative Mrs Carla Hills: Stepping down from the "most exhilarating" job she has ever had

## Hills bows out on buoyant note

Nancy Dunne on US trade representative's four years in office

THE CUSTOMARY perfection of Mrs Carla Hills' office was disturbed this week by a few packing boxes and a chair covered with ribbons. The chair - shipped over from the White House cabinet room - was a gift from her senior staff and bears a nameplate: "US Trade Representative, February 1, 1989".

Although she and her friend and boss, George Bush, are leaving office, and the frustrating Uruguay Round talks are still dragging on, Mrs Hills' mood was buoyant. When her stint finishes, at noon next Wednesday, she will go home to consider the "next chapter in my life".

Of the past four years, she has no regrets. The job was the "most exhilarating" she ever had, including her first cabinet post heading the Department of Housing and Urban Development. She hopes to hand to her successor, Mr Mickey Kantor, a completed package of Uruguay Round market access agreements. She wants to be able to say: "I think you ought to go forward with this. It is politically supportable here at home."

But her demeanour suggests that, once again, the European Community is playing havoc with her best-laid plans. The US, she says, needs "a big package" of tariff reductions on products like pharmaceuticals, nonferrous metals, wood and paper to generate support

in the US Congress for the entire Gatt package.

"If the EC doesn't play," she says, "we have a huge segment of trade that is not covered. They have not been willing to put together a package that has the maximum effect economically and politically."

The key to the Uruguay Round may have been disappointingly elusive, but Mrs Hills finds solace in the knowledge that she has completed "hundreds" of market-opening agreements and brought 20

climax of her tenure. She speaks almost romantically of that "magic moment" in every negotiation. "You can't slow (the negotiations) down or you lose momentum. You can't speed them up. There's just a momentum. You want to cut it off at the peak lest they unravel."

She gives a lot of credit to Mexico's President Carlos Salinas for his economic reforms. She knows that critics of Nafta say the US has no business integrating its economy with

the US private sector has too much sway.

She says that the US, since its earliest days, has had "people who speak out and speak clearly about their interests". The lobbyist is paid and biased and might exaggerate his case, but she weighs these views with those of industry's economists and other more objective sources. "If you are willing to listen to all this cacophonous sound, you get a far better picture than if you just hold up and read a book or, worse yet, deal viscerally with trade."

Inside the Washington Beltway, Mrs Hills is considered one of the few stars of the Bush cabinet, yet she is recognised as a public figure more often overseas than in the US. Her visit to the Taj Mahal was interrupted by the clicking of hundreds of cameras held by Japanese tourists.

She also is the only Bush cabinet official to have been burned in effigy - in France recently by farmers protesting against the farm trade deal struck in the Uruguay Round.

Mrs Hills is tough and tenacious and is unlikely to stop pushing for a final agreement on the Round until Bill Clinton is sworn in as president.

Only then will she take home her packed boxes and sort out her options.

Would she enjoy just a bit of "lying around"? Mrs Hills responds coyly, although rather uncharacteristically: "Depends who I'm lying around with."

The key to the Uruguay Round may have been disappointingly elusive, but Mrs Hills finds solace in the knowledge that she has completed "hundreds" of market-opening agreements

unilateral Section 301 cases against protectionist markets, more than all her predecessors together. For all the bluster supplied by Capitol Hill and the deadlines and the sanctions threats, the only retaliation Mrs Hills ever levied was the restoring of tariffs against India.

The North American Free Trade Agreement (Nafta), completed after 14 months in a final dash before the Republican party's pre-election national convention, was the

that of an autocratic regime. But she still retains an abiding faith that "economic reforms go hand-in-hand with political reforms".

Mrs Hills takes no credit for her successes, giving that to "the team" in her office and her congressional and private advisers. She says: "Our trade policy is built by consensus."

She is even grateful for the much-maligned Washington lobbyist, whom she defends with some fervour, despite criticism by foreign officials that

## Russian scientists on market

By Clive Cookson, Science Editor

SENIOR Russian scientists are joining forces to market their services to international industry - and fight what they see as western exploitation of researchers in the former Soviet Union who are being offered work at derisory rates.

Many of Russia's best-known professors, covering a wide range of scientific and technical fields from the environment to nuclear research, have joined the new organisation, known as Thesaurus. Institutional members include the Russian Academy of Science and the Moscow Institute for Physics and Technology.

Thesaurus will be marketing research and consultancy services through Anglo-Russian Trade and Shipping, a joint venture of Robson Rhodes, the London accountants and management consultants, and the Peter Dragadze Group based in Moscow.

Prof Sergei Kapitza, president of Thesaurus, said scientists were keen to work through a UK organisation because "the British have a better attitude to the correct compensation of labour".

Mr Peter Dragadze said attempts by US companies to hire Russian researchers for as little as \$25 per month "were thought to be not only offensive but also impractical". The

price of a Thesaurus consultant is likely to be slightly lower than for a senior western scientist.

Prof Kapitza, one of his country's best known physicists, expects Thesaurus experts to be most in demand for physics and engineering, particularly in energy-based industries. They could offer "a fresh approach, a way of thinking that might not have occurred to western scientists".

Many Russian scientists were demoralised by the loss of status and continuity after the collapse of communism and the Soviet Union, Prof Kapitza admitted. "Under socialism we were treated better than under capitalism."

## French farmers demand tough line against Gatt

By David Suchan in Paris

FRANCE'S largest farming union yesterday warned that campaigning for the March general election must not be allowed to weaken the country's resolve to stand up to the US in the Gatt agricultural trade negotiations.

Mr Luc Guyau, president of the FNSEA, which groups most of France's 1.2m rural workforce, said he expected President-elect Clinton to be just as tough as his predecessor in defending American farmers' interests.

Mr Guyau said France could not simply fall in with US plans for world agricultural

trade, aimed at cutting back subsidised EC exports. It "should use 1993 to move from speeches to action and veto the Washington agreement [between the EC and US on farm trade]", he said.

He confirmed reports by agricultural suppliers such as EIC Aquitaine and Rhône Poulenc that, as a result of EC reforms intended to curb production, and of uncertainties about the outcome of the Gatt talks, farmers had sharply reduced purchases of fertilisers and pesticides. One FNSEA official said the level fell last year to its lowest since 1980.

Rhône Poulenc, See International Company News.

## Outgoing team still hoping for Uruguay Round progress

By Geneva Williams in Geneva

US TRADE officials in Geneva yesterday held out little prospect for an early conclusion to the Uruguay Round of global trade talks but said negotiations would continue in the hope of making progress by next Tuesday's stock-taking meeting of the top-level Trade Negotiations Committee.

Trade negotiators will try to present the Clinton administration, which takes office the following day, with as few outstanding problems as possible, in the dwindling hope that a Uruguay Round accord can

still be reached before the current US negotiators' authority expires on March 2.

A senior US negotiator said a number of "significant sticking points" remained in talks with the European Community on industrial tariffs, and there had been little progress in resolving issues of vital concern to Washington in separate discussions on the draft package of Uruguay Round rules.

There were still differences between the US and EC over agriculture, the official added, despite the accord reached between the two sides last November. He said the EC's detailed offer on market access

for farm products would, as it stands, reduce imports from current levels rather than increase them.

Talks on the draft rules package between about 20 of the key traders taking part in the 108-nation round were recovered late yesterday by Mr Arthur Dunkel, director general of the General Agreement on Tariffs and Trade.

The US also gave the EC further details of what it is prepared to offer on reducing very high textile tariffs, a key Community demand, in return for EC concessions on reducing or eliminating tariffs in other sectors, notably electronics.

هكذا من العمل



...differences





## NEWS: UK

Government concedes self-regulatory body is ineffective

## Press review produces pledge to curb bugging

By Ivo Dawney and Raymond Snoddy

THE government yesterday pledged immediate steps to make electronic bugging and trespass criminal offences and promised serious consideration of a civil remedy against undue intrusion into privacy.

But it stopped short of backing the central plank of Sir David Calcutt's report into press regulation that proposed the replacement of the widely criticised Press Complaints Commission with a powerful statutory tribunal.

Mr Peter Brooke, the heritage secretary, endorsed as "compelling" the report's conclusions that the self-regulatory PCC was neither effective nor truly independent.

After cabinet discussions of the report yesterday, however, Mr Brooke told the House of Commons that a statutory body would have a constitutional significance that departed from Britain's traditional approach to press regulation. "In the light of these considerations, the govern-

ment would be extremely reluctant to pursue that route," he said. The publication of his damning review came as two UK newspapers, the Daily Sport and Kent Today, published the transcript of an alleged intimate telephone call between Prince Charles and Mrs Camilla Parker Bowles.

Sir David's report recommended the creation of a statutory tribunal which would have the power to fine newspapers up to 1 per cent of their net annual revenue. Such a tribunal would also be able to use injunctions to restrain newspapers from breaching a statutory code.

It is clear that government plans to take up Sir David's suggestion made in his 1990 report, that criminal offences should be created to try to prevent intrusion, for the purpose of publication, using electronic listening devices and long-lens cameras.

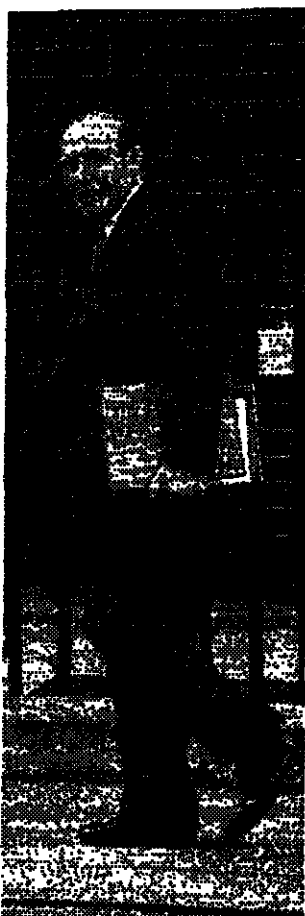
Sir David suggested fines of up to £5,000 but not prison sentences for those found guilty. The government is also pre-

pared to give serious consideration to creating a tort of invasion of privacy, allowing aggrieved parties to seek redress through civil action, and look again at existing legislation on data protection and interception of telephone calls.

Sir David attacked the PCC partly because it had not been set up in the way he had outlined in his original report but also because he thought it had not done enough in celebrated cases involving the Princess of Wales or Mr David Mellor, the former heritage secretary.

The PCC has decided, for instance, that although there had been complaints about about the printing of topless photographs of the Duchess of York not to get publicly directly involved.

The report was widely criticised by the newspaper industry yesterday. Mr Andrew Neil, editor of the Sunday Times, said if all the Calcutt recommendations were implemented it would amount to the most extensive censorship there had ever been in Britain in peacetime.



Peter Brooke yesterday: "compelling" conclusions

## Opposition among MPs to police shake-up

By Philip Stephens, Political Editor

RADICAL PLANS proposed by Mr Kenneth Clarke to reorganise the police look set to be scaled back after running into strong opposition from the home secretary's cabinet colleagues.

Mr William Waldegrave, public services minister, and Mr Douglas Hurd, foreign secretary, have joined Mr Michael Howard, environment secretary, in opposing plans which would deprive local authorities of any real control of local forces in England and Wales.

Mr David Hunt, the Welsh secretary, has also voiced opposition to the plan to shift all police funding to Whitehall and deprive elected councils of their majorities on local police committees. Mr Ian Lang, the Scottish secretary, has indicated that he would not want to introduce similar arrangements north of the border.

The proposed scheme, ending the present half-and-half arrangements for police funding is being characterised as the virtual nationalisation of police forces.

Mr John Major was due this week to chair a cabinet committee set up to examine the proposals but the meeting was delayed because of the crises in Iraq and Bosnia. Last night, Mr Clarke accused opponents of launching a pre-emptive strike designed to force him to water down the plan.

Mr Clarke is supported by Mr John Patten, education secretary, and Lord Mackay, the lord chancellor. But most of his colleagues want a less ambitious blueprint to preserve a significant role for local authorities in the oversight and funding of the police.

Mr Clarke, who has strong backing from colleagues for his separate drive to reform the pay, conditions and internal management of police forces, is expected to respond by offering proposals which transfer fewer powers to Whitehall.

## Big industrial power users seek electricity price cuts

By David Lascelles and Paul Abraham

THE UK power generators were inundated with inquiries from industrial users yesterday following the news that the Department of Trade and Industry may allow a special licence for PowerGen to sell electricity cheaply to Imperial Chemical Industries.

Sharp increases in electricity prices over the last two years have been criticised by large industrial users, and they are eager to share in any opportunity to cut power costs.

It is, however, unclear how the government can grant one company - albeit a very large one - special access to cheaper electricity without making similar offers across industry. Even if it does, Power industry sources were warning yesterday that exemptions would only drive up costs for everyone else. Nor was it clear yesterday what stage the talks

had reached. Mr Peter Rost, chairman of the Major Energy Users Council, said he was told before Christmas by Mr Tim Eggar, energy minister, that the separate deal was being negotiated.

Offer, the Office of Electricity Regulation which would actually issue the licence, also confirmed that it was discussing the matter with the DTI. ICI said it was still talking to both the government and the generating companies after 18 months and that no agreement had been reached. The company reiterated that it was deeply concerned about the future of its chlorine and derivatives business which, it said, needed a rapid cut in power costs if they were to survive against overseas competition.

Industrial concern over power prices dates back three years to when the electricity industry was privatised. Subsidies for big electricity users were phased out, leaving large

companies with sharp price increases.

ICI claims that its power bills have gone up 60 per cent since April 1991. It now pays £31 per megawatt hour compared to the £25 which it believes its major German competitors are paying.

Part of the problem lies in the way the UK electricity market works. The privatised power industry included a requirement that power generators sell all their output through the pool, the wholesale market where prices are set every half hour.

But power sold through the pool collects heavy charges for running the UK electricity system, adding 5-10 pence to bills. The solution apparently being considered by the DTI is to allow generators to sell a certain amount of power outside the pool, directly to large industrial customers. These deals would bypass the pool charges.

## N-levy unlikely to be used for coal subsidy

By David Owen

THE Department of Trade and Industry is playing down the idea of diverting part of the nuclear levy on electricity bills to other purposes such as subsidising cleaner coal technology.

Such a switch is believed to be among measures under consideration by MPs on the Commons trade and industry select committee, which will unveil proposals to boost the coal sector later this month.

In a confidential memo to the committee the DTI says: "It would not be possible under the Electricity Act 1989 to divert the levy to other purposes such as the funding of the fitting of Flue Gas Desulphurisation to existing coal-fired stations." However, the coal review is considering methods of reducing the price of British coal by providing support to the industry, for example by subsidy or levy arrangements.

In the six months to last September, Nuclear Electric - the state-owned nuclear power generator - received £632m from the levy to help it finance decommissioning costs of its nuclear plant. This helped it to report a half-yearly operating profit of £255m.

Mr Michael Heseltine, trade and industry secretary, received a non-committal response from the European Commission to his outline proposals for supporting UK coal, writes Andrew Hill in Brussels. He met Mr Karel Van Miert, the new competition commissioner, and Mr Abel Matutes, who has taken over responsibility for energy and transport. Neither was able to comment on the suggestions, which have not yet been adopted by the British cabinet.

## Doctors warn of hospital cash crisis

By Alan Pike, Social Affairs Correspondent

DOCTORS' leaders warned yesterday that UK state hospitals are facing their worst funding crisis in 30 years.

A meeting of the British Medical Association council adopted a resolution declaring current funding was "inadequate to deliver fully comprehensive patient care".

BMA leaders say hospitals will have to close wards and cancel operations for the remainder of the financial year because they have already spent their budgets.

The BMA met Mrs Virginia Bottomley, the health secretary, last month to warn her of its concerns over funding. But Dr Jeremy Lee-Potter, chairman of the council, said he was disappointed by her response. "Our impression was that she is going to try to ride out the storm until some new money becomes available in April".

Mrs Bottomley accused the BMA of a "glib response" that disguised the need for doctors to examine ways of using resources more efficiently.

Under the new system of NHS funding, hospitals are contracted by health authorities to carry out specified amounts of work during a year. Problems are arising now because some hospitals have already exhausted their budgets.

The BMA says many hospitals will be forced to stop non-emergency work or "solicit business" from GP fundholders, who have alternative sources of funds. It claims this is leading to a two-tier service.

## Court told of corruption at BP

By John Mason, Law Courts Correspondent

HIGH level corruption within British Petroleum led to the oil company becoming the victim of extensive fraud over its North Sea investment programme, a court heard yesterday.

Confidential details of tenders submitted for pipes and pumping equipment contracts worth up to £50m were leaked by BP employees to middlemen who passed the information on to European and Japanese companies competing for the business. Southwark Crown Court was told.

The information allowed companies to undercut rivals or push up the final price

charged to BP. Companies such as Thyssen, Suizer Pumps UK and Borsig GMBH, along with Japanese engineering firms were among the beneficiaries of the fraud, Mr Stephen Batten QC, prosecuting for the Serious Fraud Office, said.

On trial are two of the alleged "middlemen", Mr Josef Szrajber of Mayfair, London, and Mr Paolo Sorelli of Paddington, London.

Both deny seven charges of conspiracy to defraud BP by making use of confidential information relating to contract tenders between 1989 and 1990.

There were three elements to the chain of corruption - the BP staff prepared to leak the information, the middlemen or

"pedlars" who passed it on and the companies willing to pay for it, Mr Batten said.

The corruption within BP's procurement department went to a very high level, he went on.

"Not perhaps to the very top, but certainly the sort of level which must have had good inside information," he said.

One BP employee - referred to as Mr X - was a particularly important source of information. Documents showed the "commissions" usually three or four per cent of the contract value - were often split three ways between Mr X, Mr Szrajber and Mr Sorelli.

A Thyssen employee, Mr Manfred Reuss, also took a cut in commissions when his company won a contract, Mr Batten said. Of the middlemen, Mr Sorelli was the one with the access to BP personnel and Mr Szrajber dealt with the companies prepared to pay for the information.

Records, however, kept by Mr Szrajber, which were seized after his offices were searched in the summer of 1990, gave considerable detail of the corrupt deals and were likely to prove his undoing, Mr Batten said.

One document sent by Mr Sorelli to Mr Szrajber explained how Mr X would receive half of a four per cent commission as he needed to pay other people in BP's procurement division.

The trial continues today.

## Britain in brief



## Union seeks recruits from car suppliers

The AEEU engineering and electrical union has launched a campaign to recruit members among suppliers to Nissan's car plant in north-east England.

The AEEU is the only recognised union at the Sunderland plant and its growth in membership there - to about 2,000 out of 4,600 employees has helped to maintain its Tyne-side numbers against a declining national trend.

The union - the second biggest in the UK - hopes that by recruiting members at Nissan suppliers it will strengthen its request for recognition by management, many of which rebuffed formal AEEU approaches when they first moved into the area and have no recognised union on site. "We have the key - Nissan. We're looking for a knock-on

effect," Mr Davey Hall, AEEU Tyne district secretary, said. "It's a continuous campaign. We'll be on the doorsteps on a number of occasions during 1993."

## BBCI unit to wind down

The government's Deposit Protection Board is to run down its unit for dealing with claims from BCCI depositors over the next few months.

The board has now processed most of the claims received, although the total number settled is less than 12,000 to the value of about £50m, compared with a liquidators' estimate of 32,000 UK deposits totalling \$1.1bn in BCCI SA.

## Support urged for Thorp plant

Trade union leaders at Sellafield are writing to the nuclear plant's 700 Cumbria-based suppliers this week to enlist their support for a campaign backing the commission of the £2.6bn Thorp reprocessing installation.

Shop stewards are urging suppliers to write to the Pollution Inspectorate emphasising the economic importance of

Thorp - Thermal Oxide Reprocessing Plant - and have included a letter for guidance.

The Sellafield unions fear the entire site's future could be jeopardised, with grave economic consequences for west Cumbria, if Thorp is not commissioned.

## Call for better copier deals

More than 100 MPs, MEPs and peers are supporting renewed calls for legislation to curb the activities of some photocopy suppliers.

The Campaign to Clean up Copier Contracts says it has won all-party support at Westminster for its efforts to stamp out what it calls malpractice in the supply of photocopies.

The organisation claims to have logged more than 3,000 complaints from customers of photocopying leasing companies.

Campaign criticisms centre on unfair and onerous contract conditions, high-pressure sales techniques and misrepresentation.

## Directors issue tax warning

Tax increases must not form part of the Budget if the fragile economic recovery is to be given a chance, according to the Institute of Directors.

In its budget representations to the chancellor, the IoD - a right-of-centre lobby group - warns that many powerful negative forces could yet upset the recent pick-up in business confidence.

It also called for a radical restructuring of public spending to overcome what it believes are structural rather than cyclical shortcomings of public finances.

## More families in need

The number of families receiving income support rose from 2.9m in 1979 to 4.1m in 1989, according to the House of Commons social security committee.

By 1989, 6.98m people were living in households dependent on income support, compared with 4.57m in 1979.

The main groups accounting for this increase were single parents, the unemployed and long-term sick and disabled people.

Over the same period there was a rise of almost 50 per cent in the number of families with incomes below benefit level - up from 2.05m to 2.97m.

## Nissan and Vauxhall boost output

By Kevin Done, Motor Industry Correspondent

UK CAR production rose by 4.4 per cent last year helped by a substantial increase in output by Nissan, the Japanese car maker and by Vauxhall, the UK subsidiary of General Motors of the US.

Car production rose to 1,291,281 from 1,236,900 a year earlier, according to figures released yesterday by the Society of Motor Manufacturers and Traders.

Output of commercial vehicles rose by 14.4 per cent

last year to 248,435 from 217,141 in 1991, although output in December alone was 10.2 per cent lower than a year ago at 16,758. In December car production was 19.8 per cent higher than a year ago at 94,652 helped by a 26.6 per cent increase in output for export.

Car output has performed relatively well during the recession with much higher production for export markets largely making up for lower output for the home market.

Production fell by only 4.5 per cent from the peak of 1.3m in 1989 to 1.24m in 1991, despite

a 30.9 per cent fall in UK new car sales in the same period. UK car production is now set to rise significantly throughout the 1990s largely as a result of the three new car plants under development by Nissan, Toyota and Honda.

Nissan's Sunderland plant, in north-east England, which began small volume output in 1986, is expected to increase production this year to 270,000 from 178,000 in 1992. The plant is developing a capacity to produce 300,000 cars a year.

At the same time Honda began production in October at

its £300m Swindon plant and Toyota started output last month at its £700m car plant at Burnaston, near Derby.

The SMMT's latest forecast predicts UK car production will rise to 1.4m this year and increase to 1.5m in 1994. UK car output reached its previous peak in 1972 at 1.82m, but declined rapidly in the following decade to reach a low of only 888,000 in 1982. DRI Europe, the UK-based automotive analysts, said in its latest analysis that car production could exceed the earlier peak by 1997 rising to 2m.

The BMA met Mrs Virginia Bottomley, the health secretary, last month to warn her of its concerns over funding. But Dr Jeremy Lee-Potter, chairman of the council, said he was disappointed by her response. "Our impression was that she is going to try to ride out the storm until some new money becomes available in April".

Mrs Bottomley accused the BMA of a "glib response" that disguised the need for doctors to examine ways of using resources more efficiently.

## 'Minor miracle' eases threat to Shetland Isles

The rapid dispersal of the 84,500 tonnes of oil from the wrecked Braer has been "a minor miracle", said the Shetland Islands council yesterday.

Maps drawn up daily at the council's emergency centre at Sumburgh Head, the southern tip of the islands where the tanker hit the rocks, show that the slick has shrunk sharply since the weekend. Most of the original patches of thick black oil have broken up under the impact of ferocious weather into thin sheens and patches of "grey lines".

Oil is visible on a handful of beaches: the area around the tanker including Quendale, Sumburgh and St Ninian's Bays and Bigton Wick. But dispersal has been much faster than in other spills because the Braer's cargo was relatively light Norwegian crude.

Scientists in the Shetlands are more confident too that much of the Braer's heavier "bunker" or fuel oil has also dispersed. The council said yesterday: "It is some days since bunker oil appeared on the maps except in the immediate vicinity of the wreck - although it is not impossible that some may still be on board." The only current sightings are at Garth's Wick, a small bay north of the wreck.

The massive pounding by the waves has broken the oil into ever smaller droplets, enabling it to sink, when bacteria will break it down. To monitor exactly how far these particles are spreading, scientists from the Scottish Office Agriculture and Fisheries department have been on board the research

## Bronwen Maddox on the effects of the Braer oil spill

vessel *Capea* since January 11 and will take samples of sand, water, shellfish, and plankton for another week.

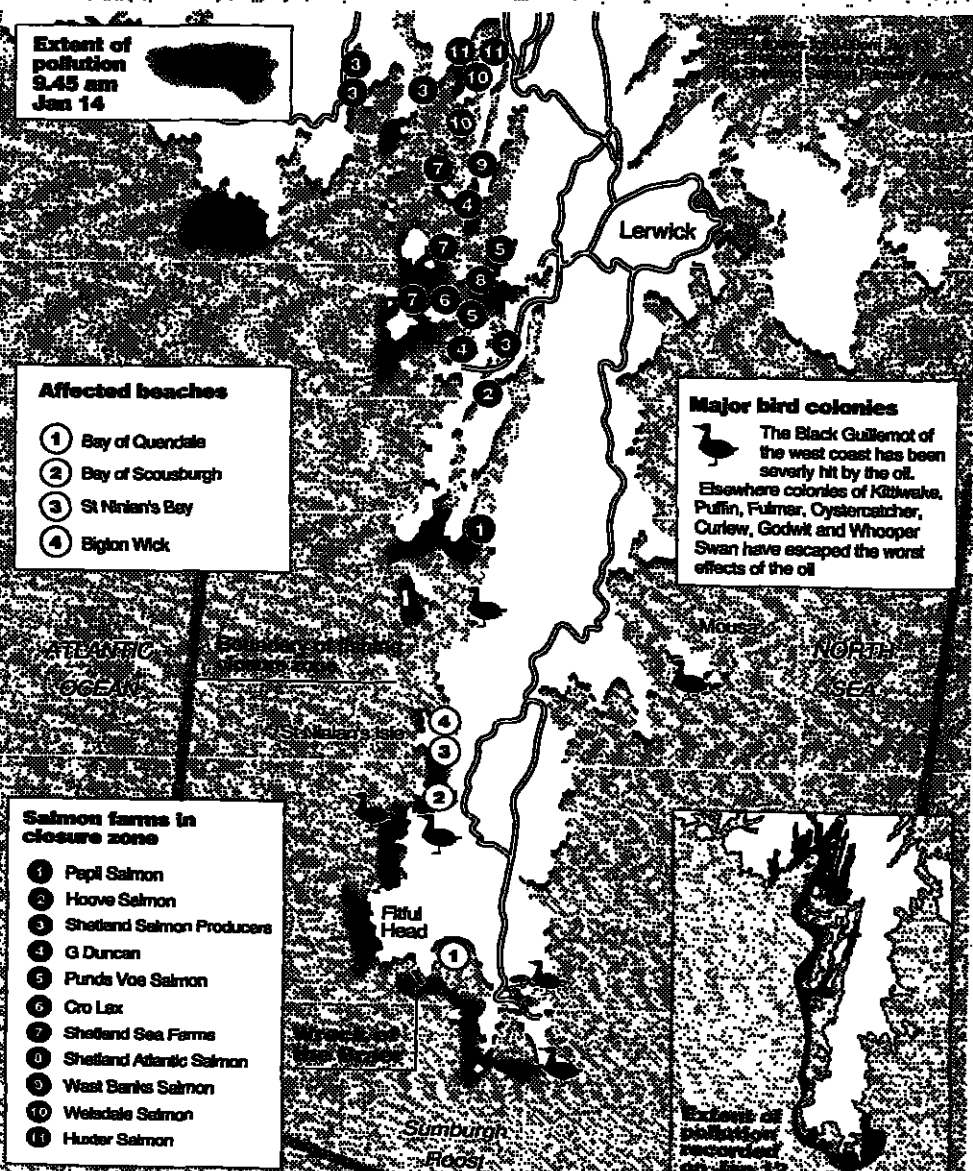
Mr Barry Lester, of the Department of Transport Marine Pollution Control Unit, which is in charge of the Shetland clean-up, said: "It is too early for scientists to give conclusions but it seems highly unlikely that much oil has settled on the seabed."

A week ago the Scottish Office banned fishing or harvesting of salmon in a 400,000 square mile area around the spill. The 16 salmon farms in the zone account for around a quarter of Shetland's salmon farming: 10,500 tonnes last year, worth £35m.

Mr Scott Findlay of the Shetland Salmon Farmers' Association says: "The way it looks now, only farms within the closure zone are affected by the sheen, and rigorous scientific testing is now underway to see the effect on the fish. There have been no salmon mortalities whatsoever and there is no chance tainted fish will ever enter the food chain."

Environmentalists, too, sounded distinctly more optimistic than they did last week. Mr David Mitchell of the Royal Society for the Protection of Birds, which has counted 750 dead birds so far, said "it is unlikely that there will be many more bird killings".

## The legacy of the Braer



Dispersal of the oil has removed much of the risk to migratory birds, which will start flying in to breed within two months. "If the oil had stayed as a slick it would really have hurt the puffins

and guillemots - their main habit is loafing around on the water off the breeding cliffs," Mr Mitchell said. He warned that black guillemots have been badly hurt by the slick. "We know of over 100 dead in a

fairly restricted area, and we think that it may have been almost completely wiped out in some areas near the tanker. There will be slow - this bird lays only one egg a year."

**SWANSEA**  
BEST RESOURCE PACKAGE FOR BUSINESS

- ✓ Skilled Labour Force
- ✓ Grants and Loans
- ✓ Low Overhead Costs
- ✓ Excellent Communications
- ✓ Quality of Life
- ✓ Professional Help and Support for Business

Telephone or send for details:-

I am interested in existing and proposed:-

- FOOD PARK
- INDUSTRIAL PREMISES
- FACTORIES/WAREHOUSES
- OFFICES
- MARITIME UNITS

TO: MICHAEL BURNS, SWANSEA CENTRE FOR TRADE & INDUSTRY, SINGLETON STREET, SWANSEA SA1 3QN. TELEPHONE: (0792) 476666

NAME \_\_\_\_\_

COUNTRY \_\_\_\_\_

POSITION \_\_\_\_\_

ADDRESS \_\_\_\_\_

SWANSEA CENTRE FOR TRADE & INDUSTRY

FT11193



Yorkshire Water is peeling away layers of old management thinking, reports Angus Foster

## Stirring up the waters



Greater expenditure on technology is complementing the new structure

The difficult transition from public to private ownership has thrown up strange watchwords at Yorkshire Water, one of Britain's 10 water and sewerage companies privatised in 1989. Onions, Maces and Matsushita are just some of the management tools Yorkshire hopes will prompt a revolution.

Yorkshire's problem, according to senior managers, is that the structure and ethos inherited from pre-privatisation days do not suit the private sector. In places the company is overmanned and inefficient. Its management style remains too hierarchical, with little information flow except from top to bottom.

"As an ex-public sector, ex-nationalised industry, we have an attitude of saying 'No'," according to Trevor Newton, group managing director. Since 1990 Yorkshire has hired management consultants, sent Newton to Harvard University for three months and organised a series of workshops for managers. As a result, it has introduced a three-pronged plan, probably the most radical in the water industry - to restructure its business and change its culture.

The first prong, known as Onion, will strip away non-essential services, such as pipe laying, from the "core", regulated business. These services will have to compete in the private sector or be closed.

Last year, Yorkshire and its consultants decided that 21 of its 40 areas of business, or about 65 per cent of employees, could - over time - be put outside the core.

From next April, Yorkshire will change its structure from one based on 10 geographical regions to one based on functions, like water resources. About 100 middle to senior managers will leave the company through voluntary severance because of the change.

The largest business so far placed outside the core is Leeds Pipeline Services, a new company made up of about 60 former employees, involved in laying and maintaining water mains. It still relies on contracts from the core for most of its business. But John Fenwick, operations manager, hopes to increase non-core work to 20 per cent in the next few years.

Because work is now carried out at market prices, rather than cost, there is an incentive for LPS to maximise profit. The finishing contractors, strict job demarcation rules have been changed and efficiency gains, which used to lead to job cuts, now mean LPS can bid for more work. Fenwick estimated time lost due to sickness and other absences has been cut by 100 hours to 150 hours a week.

Previously sceptical employees are beginning to accept the changes. Steve Pennistone, a senior

shop steward, said: "So far they've stuck to their promises. It's running much more efficiently and the lads are doing better out of it."

A £750 bonus paid because performance was ahead of targets helped win employee support. Staff also noticed LPS continued to recruit workers when other companies in Leeds were laying them off.

Some employees are less happy, complaining that the drive for profit will compromise service and quality. Others say the new system has created divisions within Yorkshire Water and its management. And the hidden costs of contracting out - such as stricter and more costly monitoring of contractors' performance - are not yet visible.

John Taylor, Yorkshire's deputy

managing director, acknowledged that forcing change could be disruptive. But he hopes LPS's example will prove a strong incentive.

Another understated incentive is that areas which do not welcome change could lose work and jobs to areas which do.

Yorkshire's second prong is Mace, an acronym for a £75m new technology programme which could lead to greater efficiencies and further contracting out of tasks. One area being studied, for example, is the use of sensors and telemetry to identify illegal toxic waste before it reaches a sewage plant and relay this information to a central control. The sewage treatment process could then be adjusted remotely. If they are to succeed, Onion and

Mace require another change - in Yorkshire's managers and staff. Although progress was made in the 1980s, Newton believes the company is still too hierarchical. Communication between employees and managers is poor, achievement often goes unrewarded and ideas still largely come from the top.

This works against Onion and dilutes Mace. Water companies are also being told by the regulator to improve customer service standards, so Yorkshire and its employees have to become more open and responsive to change.

The new strategy was presented to Yorkshire's 100 senior managers in February 1991. They were told to spread cultural change through the company, "energise" their people, be more positive, communicate with and empower their staff and recognise their successes. Drawing on the example of Matsushita, the Japanese electronics company, Yorkshire employees were told that profit was a by-product of business, not the only aim.

The response was mixed. Newton said that about 50 of Yorkshire's 100 senior managers agree fully with the changes.

Ideas are starting to flow up management lines instead of down and managers are learning to recognise and reward good work. Most recognition is informal, like "saying 'thank you' and drinks after work", Newton said. A financial reward system, which only applied to senior management, has been scrapped. Instead, Yorkshire is studying a company-wide system based on performance.

There has been opposition among some managers to specific changes, for example an annual company-wide opinion survey asking employees what they thought of their managers.

Newton's zest for change has led to uncertainty about job security. His methods have also been unconventional. For example, he issued a memo banning team briefings in order "to improve communications". He felt Yorkshire's team briefings did not work because they only allowed information to flow from the top downwards.

Yorkshire has organised "learning, coaching and counselling" sessions where staff are taught what to expect of managers under the new system. "The way to change managers is to change the expectations of their people," according to Newton.

But he and his fellow converts admit, as products of the hierarchical public sector themselves, that some managers will never change. "I've also been brought up in an environment of shouting at people to get things done. Some people don't recognise this has to change. They will either get driven out by their people, or by me."

## Why actions really do speak louder than words

Christopher Lorenz challenges a new business thesis



THE WORLDS of religion and politics are littered with living examples of the dictum that there is nothing more powerful - nor, sometimes, more dangerous - than the dogma of a convert. In management, the same phenomenon makes far too many executives chase in zig-zag fashion after such either-or dogmas as organisational decentralisation or centralisation, diversity or focus, and employee involvement or control.

The self-delusion - and corporate risk-taking - practised by such managerial fashion followers is the target of an ambitious new book, *Beyond the Hype*, which has caused quite a stir in the US, especially around its three authors' home base of the Harvard Business School. Its central message is undoubtedly sensible: that persuasive language (or "rhetoric") plays an under-valued part in management. But the book's impact is diminished by its own degree of dogmatism. That, in turn, flows from the fact that its two main authors, Robert Eccles and Nitin Nohria, are themselves fresh converts from the hype which they now criticise.

Two years ago, when most business academics were waxing lyrical about the need for "new managerial practices for an age of new organisations", Eccles and Nohria wrote a working paper called "The post-structuralist organisation" on life after bureaucracy.

But within five months they began to doubt their case. This was partly because they found less new actual organisational practice than they had expected and partly because they became smitten by rhetorical theory. They concluded that, though the rhetoric of management has changed sharply in recent decades, its actual principles and practice have stayed very much the same. "Leading-edge companies are not doing anything very different," they claim.

Among today's "new" management concepts which turn out to have been quite common throughout this century, Eccles and Nohria cite cross-functional collaboration plus the production of quality

products and the provision of responsive customer service. "Who could argue with such advice?" asks the duo. "When did managers think - let alone say - they were doing otherwise?"

Think about the last question for a moment, and you will see Eccles and Nohria sliding off the rails - gently in their assault on the oldness of "new" principles, but painfully in their suggestion that there is nothing new in "new" practices.

Their assertion that there are few new management concepts may shock ill-informed executives who have gleaned their ideas from airport bookstalls and the more superficial type of business school

It is plain wrong to claim that companies have always been as concerned as they are now with quality and customer-responsiveness

courses. But well-read managers, gurus and academics will be entirely unsurprised.

One of the chief butts of their criticism, Tom Peters, the guru, has always been the first to credit the early progenitors of many of the concepts to which he and others today attach jazzy new names.

What Peters and the best of his fellow pundits have done is not just to re-name and regurgitate old concepts, as Eccles and Nohria suggest. Instead, they have made some of them comprehensible to lay people and re-worked others to adapt them to today's context.

Thus the concept of corporate "core competences", popularised in the last couple of years to great effect by C. K. Prahalad and Gary Hamel, may well have been developed from the ideas of more than 30 years ago. But their new formulation has an added twist to it: the notion that a company's competence, however strong, is of little value unless it is so distinctive as to be virtually unique.

So much for rhetoric. When it comes to real action the Eccles-Nohria case quite jumps the rails.

It is plain wrong to claim that companies have always been as concerned as they are now with quality and customer-responsiveness, let alone with performance-related rewards and social responsibility. Small, leading-edge enterprises, perhaps, plus a few highly-adaptive large ones, such as 3M.

But if this were really true for a broad swathe of US companies, they would never have alienated millions of customers by producing so many ill-designed, poor quality cars, air-conditioners and other products in the 1960s and 1970s, leaving a yawning door for the Japanese to push open. Just because ideas similar to today's have been expressed intermittently throughout the century does not mean that they have been practised widely - far from it.

The same goes for all the "human resources" (people) aspects of today's organisational principles and practices. Just because delegation and cross-functional communication - two principles of "empowered" and "horizontal" organisations - have been bandied about since the 1920s, it does not mean they have been thick on the ground in reality.

What has altered the way executives do their jobs has been the changing practical context within which such principles are now propagated. Terms such as "delegation" meant one thing to managers within the sort of steeply-hierarchical bureaucracy typical of the 1920s, 1950s and 1970s.

They mean quite another (and much more) within today's shallow, delayed hierarchies, where instead of having only five people reporting to them, many managers now have 25 or more. In such circumstances, delegated authority and decentralised responsibility really do mean what they say.

Which leaves one with the thought that the Eccles-Nohria argument should sometimes be stood on its head. Rather than rhetoric being forever changed to reflect the unaltered "essence of management", as they put it, language often changes more slowly than the managerial behaviour which it describes. Harvard professors, please take note.

\*Written with James Berkley. Harvard Business School Press. \$24.95 in US, £19.95 in UK.

### LEGAL NOTICES

Company No. 108897  
MAGNETIC SCIENTIFIC LIMITED  
(the "Company")  
NOTICE IS HEREBY GIVEN pursuant to section 175(1) of the Companies Act 1985 that by resolution agreed to by the shareholders of the Company at a general meeting held on 14th January 1993, a payment out of capital by the Company for the purpose of the Company's acquiring £4,666 of its own shares by purchase from the registered holder of them at a price of £1.20 per share was approved. The total amount of the permissible capital payment for the shares in question is £188,256. The Statutory Declaration of the Directors and the Auditors' Report required by section 173 of the Companies Act 1985 in relation to such capital payment are available for inspection at the Company's registered office. Any creditor of the Company may at any time within the five weeks immediately following the date on which such resolution was passed, send written notice to the Company stating that he claims to be a creditor of the Company and that he requires the payment of the sum of money specified in the notice to be made to him or to such other person as he may direct. If such notice is not received by the Company within the five weeks, the payment of the sum of money specified in the notice shall be made to the person to whom it is payable.

Registered Office:  
BY ORDER OF THE BOARD  
1-3 Broad Street, Dr. P.J. Parnham, Secretary  
Cardiff CF1 4JW  
Dated 14 January 1993

In the High Court of Justice No 1007 of 1994  
Chancery Division  
In the Matter of E.C. Chase Limited  
And in the Matter of the  
Liquidation of E.C. Chase Limited  
NOTICE IS HEREBY GIVEN that the Joint Liquidators of the above company offer for sale the Assets of a Manufacturer of an extensive range of Fine Crafted Wooden Cabinet Doors. Including modern Woodworking Machinery; New CNC Spray Facility (cost £350,000); Stocks, Work in Progress; Customer Details, etc.

Modern Premises in Devonshire.  
Documents of Sale are available from the Agents, address given below, and all interested parties must put in their offers by not later than 3.00 p.m. on Wednesday, 20th January, 1993.  
Henry Butcher & Co  
Phoenix House  
1-3 Newhall Street  
Birmingham B3 3NH  
Tel: 021 236 5736  
Fax: 021 236 3538

TEXTILE MILL - KENYA  
Kicomi (1988) Ltd (in receivership). A going-concern composite Textile Mill on 28 acres. Capacity 35,000 Metres per day.  
For details fax (254-2) 336927  
Telephone 221244, P O Box 41968, Nairobi.

### Sports Retailer For Sale

The Joint Administrative Receivers of M & J Sports & Leisure Limited, P G Byatt and G A Auger offer for sale the business and assets of this retail sports wear and equipment company.  
◆ 3 leasehold shops in SE Essex region  
◆ Turnover £4m pa approx  
◆ Stock £200,000 est. cost  
◆ Established since 1971  
Please contact the Receivers agents  
Hawbery King, 39/43 Lodge Lane,  
London, N12 (tel: 081 343 7373,  
fax 081 445 4202 Ref: GK/RFF).

### STOY HAYWARD Horwath

Accountants and Business Advisers A member of Horwath International  
Authorised by the Institute of Chartered Accountants in England and Wales to carry on investment business  
66 Broomfield Road, Chelmsford, Essex, CM1 1SW.

### CONESTOGA WOOD SPECIALTIES INTERNATIONAL PLC.

The Joint Liquidators of the above company offer for sale the Assets of a Manufacturer of an extensive range of Fine Crafted Wooden Cabinet Doors. Including modern Woodworking Machinery; New CNC Spray Facility (cost £350,000); Stocks, Work in Progress; Customer Details, etc.

Modern Premises in Devonshire.  
Documents of Sale are available from the Agents, address given below, and all interested parties must put in their offers by not later than 3.00 p.m. on Wednesday, 20th January, 1993.

Henry Butcher & Co  
Phoenix House  
1-3 Newhall Street  
Birmingham B3 3NH  
Tel: 021 236 5736  
Fax: 021 236 3538

TEXTILE MILL - KENYA  
Kicomi (1988) Ltd (in receivership). A going-concern composite Textile Mill on 28 acres. Capacity 35,000 Metres per day.  
For details fax (254-2) 336927  
Telephone 221244, P O Box 41968, Nairobi.

For details fax (254-2) 336927  
Telephone 221244, P O Box 41968, Nairobi.

Appear in the Financial Times on Tuesdays, Fridays and Saturdays.  
For further information or to advertise in this section please contact  
Karl Layton on 071 873 4780

Coopers & Lybrand corporate finance has been engaged to complete the sale of the following business

**BUDGE**  
A F Budge (Aviation) Limited  
Operators of Retford (Gamston) Airport in Nottinghamshire and providers of aviation services and engineering operations  
◆ Nationwide client base  
◆ Category 2B CAA rating  
◆ Cessna Service Centre and parts dealership  
◆ Experienced management team  
◆ Approximately 25 employees  
◆ Adjacent to A1  
For further information please contact Jonathan Wacker  
Coopers & Lybrand Corporate Finance 5 Aldon Place Leeds LS1 6JP  
quoting reference JW/PJC  
Tel: (0532) 431940  
Fax: (0532) 438280  
or telephoning please ask for Ext. 2554

Coopers & Lybrand  
Solutions for Business

### Trilion PLC (In Administrative Receivership)

The Joint Administrative Receivers offer for sale the 80% shareholding held by Trilion PLC (in Administrative Receivership) in the following company:

**Mobile Image Limited**  
◆ Provides mobile television broadcasting services  
◆ Contracts include coverage for ITV and NBC of major sporting events in UK  
◆ Year ended 31 December 1991 audited accounts turnover £3.2m.

The majority shareholder is not connected with Trilion PLC (in Administrative Receivership).  
For further information, please contact: J. Coody,  
Price Waterhouse, No. 1 London Bridge, London SE1 9QL. Tel: 071-539 3000.

### Price Waterhouse

**FOR QUICK SALE**  
Machine tool manufacturer/designer  
Turnover £3.5m, well managed, S.E. based, good customer list.  
Write Box AS67, Financial Times, One Southwark Bridge, London SE1 9HL

**BUSINESS AND ASSETS**  
Of solvent and insolvent companies, for sale. Business and Assets.  
Tel 071 262 1164 (Mon-Fri)

### Touche Ross

### Premier Heat Treatments Limited (In Administrative Receivership)

The Joint Administrative Receivers, R.S. Preece and J.B. Atkinson, offer for sale the business and assets of this controlled atmosphere heat treating company based in the West Midlands.

Main features include:  
□ Long leasehold industrial property of 27,000 square feet.  
□ Annual turnover of £750,000.  
□ 5 pit and 3 sealed quench furnaces and ancillary tempering units.  
□ Process conforms with British Standard BS5750 part II.

For further details please contact Paul A. Whitwam or Angus M. Martin at the address below.

10/12 East Parade, Leeds LS1 2AJ.  
Tel: 0532 439021. Fax: 0532 448942.  
Authorised by the Institute of Chartered Accountants in England and Wales to carry on investment business.

Wessex Aluminium Ltd  
T/A Wessex Conservatories  
World of Wessex Ltd  
(In Administrative Receivership)

The Joint Administrative Receivers offer for sale the business and assets of the above companies. The businesses are engaged in the manufacture and sale of luxury conservatories.

◆ Annual turnover of £3.3 million  
◆ The most modern manufacturing systems in Britain  
◆ 50,000 sq ft freehold factory in Swindon, with easy access to M1  
For further details please contact CM Clapp FCA, Joint Administrative Receiver at Ernst & Young, One Bridewell Street, Bristol BS1 1AA.  
Telephone: 0272 290808. Facsimile: 0272 260162.

**ERNST & YOUNG**  
Authorised by the Institute of Chartered Accountants in England and Wales to carry on investment business.

By appointment of the Administrative Receivers, Messrs M C Withall & S Barnes  
**FOR SALE**  
THE INSTITUTE, DIGBETH BIRMINGHAM  
Premier Nightclub/Entertainment Venue  
◆ City Centre Location  
◆ Turnover circa £1m  
◆ Licensed for 7500 People  
◆ 2 Main Dance Floors (with 5 Bars)  
◆ 4 Further Bars  
◆ Leasehold  
Offers invited  
Contact JCH/MWY.  
Wealthall Green & Smith  
071 405 6944

**FOR SALE**  
Scottish-based Civil Engineering and Electrical Contractors.  
BS 5750 accredited.  
Main activities include: street lighting for roads and motorways, public utilities and local authority contracts.  
Profitable, strong order book with turnover of £1.5 million.  
Write to Box A4662, Financial Times, One Southwark Bridge, London SE1 9HL.

**NORWICH AREA**  
Property Investment Company for sale owning a wide winning Industrial Unit with Office, 19,000 sq ft.  
Property let on a 20 year full repairing lease at £58,000 p.a. 5 yearly reviews. Possibility of vacant possession is required.  
Substantial tax losses available for set off against the rental income.  
For further details contact:  
Larking Green,  
7 Queen Street, Norwich,  
NR2 4ST.  
Ref: NJM/PD/48  
Tel: 0693 624181. Fax: 0693 667800



## TECHNOLOGY

At the Australian Open, beginning Monday, a computer will be calling the shots, reports Charles Arthur

## A new player on the tennis court

Perhaps when John McEnroe retired from full-time professional tennis last December, he stopped too soon. Next Monday, the Australian Open tennis championships begin at Flinders Park in Melbourne, using a computerised system derived from a weapons tracking machine to call the lines. No more linespeople. No more disputed calls. No more arguments with the umpire.

The technology to be used on the three main show courts at Flinders Park has taken five years to develop. It requires costly alterations to the existing courts, but should save frazzled umpires working in heats of up to 100 deg F from disputes.

In tennis, a ball that touches any part of the line – however narrowly – is in; but deciding that with a ball travelling at up to 100 mph exhausts the human eye. Also, two people in different places can see two results, leading to the sort of arguments that McEnroe became so notorious for in his time.

The new system was developed by John Baxter and Bruce Candy at an Adelaide-based company called Tel (Tennis Electronic Lines), where they applied their knowledge of weapons detection and radio systems to tennis.

The entire court on which the system is to be used must first be relaid. Flat cables 60 centimetres wide are set about one cm underneath the positions where the lines

(about five cm wide) will be. Then the new court (of rubberised concrete in the case of Flinders Park) is poured on and the lines painted down the centres of the cables. The cost of doing that on the three show courts at Flinders Park came to more than £130,000.

The rubber cores of the tennis balls to be used incorporate a tiny quantity of iron particles – not enough to alter their playing characteristics, but sufficient to disturb a magnetic field (generated by an electric current) around the lines.

An on-court computer monitors these variations and decides where, over 30 cm either side of the line, the ball hit the court. The result is fed to a monitor at the umpire's chair. Tel says it is accurate to within three millimetres; only the best linespeople are consistently accurate to within a centimetre.

The system was used at last September's US Open which, like the Australian Open and Wimbledon, is one of the four main "Grand Slam" tournaments in the tennis calendar. Although the Australian authorities intend this year to use it only in the over-35s event, Geoff Pollard, chief executive of Tennis Australia, which runs the tournament, says: "It's years ahead of anything else, and we would not be bothering to experiment with it if in a couple of years we did not intend to use it."

Pollard acknowledges that the system "has the potential to eradicate

disputes over line calls forever" but also that it "raises questions about the future culture of professional tennis".

Brian Williams, managing director of Tel, is seeking an agreement from the Association of Tennis Professionals, which runs the men's professional game. "I'm waiting for their approval of it for international play," he says.

"That has been the hardest part – not the development, but the politics. The ATP is afraid that players will demand it on all courts, which would put quite a financial burden on tournaments." But it would cut the number of linespeople needed on a court significantly – from the usual complement of the umpire and 10 people to the umpire, net-cord judge and foot-fault judge (on the baseline). And for Tel, equipping the 81 men's events and 60 women's events would be a financial bonanza.

However, because Tel presently cannot function on the portable courts commonly used during the indoor season of the men's game, that prospect may be a little way off. Williams reckons it will cost another year and \$500,000 (£225,000) to develop such a system; after the \$4.5m that has gone into development so far, that will not seem much. And he also expects soon to be installing the system on clay courts in Monte Carlo, and possibly later underneath grass courts. The signs are that the professionals at least will quickly adapt to a



John McEnroe: computerised calls may have led to fewer arguments with umpires

system without human frailty. They have long since grown used to the "Cyclops" machine, which is used to call the service line – which the ball crosses at up to 130mph – at most major tournaments. This uses four laser beams crossing the court on and near the line; depending which order the ball breaks them, the system deduces whether the

ball was in or not. Cyclops first came into use in 1980, and most players accepted it as an accurate arbiter – even McEnroe. But some people are never satisfied. Once, he complained during a match that it was giving wrong calls: "I don't want to sound paranoid," he said later, "but that machine knows who I am."

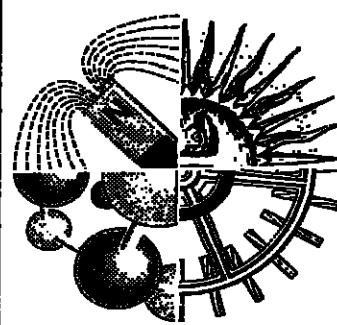
claims the combination of kit assembled in Manchester is unique. It uses the flexibility of a Unix operating system, combining Apple and Hewlett Packard equipment with Rank Xerox's own.

Pictures, artwork and graphics can be scanned in, while text comes in word-processed, digital form. Rank Xerox's own cut and paste system allows electronic assembly and page editing, while computerised imposition makes sure they are produced and copied in the right order. Programmed collation puts them together, while automatic binding turns them into book form.

Russell Forsyth, Xerox's accounts manager for local government,

Ian Hamilton Fazey

### Worth Watching · Andrew Fisher



#### Safer hands at the wheel

A Scottish company has developed a car horn switch using membrane technology that provides more space for an airbag in the steering wheel centre. It will allow airbags to be fitted into any model and eliminate the possibility of dangerous fragments flying about when they are activated.

The strong, flat, safe switch from John McGivigan Automotive Products can be made for any wheel design. With few components and easy to assemble, it should save costs.

The switch will enable more controls, such as radio and light switches, to be fitted in the steering wheel, allowing the driver to keep both hands on the wheel while using them. John McGivigan: UK, 041 7765261.

#### Silent phone language

Deaf people will be able to talk to each other by telephone with a videophone being developed by British Telecom. BT claims it is the only company working on a system aimed at people who are deaf or have impaired hearing. Users could use sign language and lip-reading.

A video link would solve the problems of textphones, which are slow to use and thus cost more than speech phones. BT says sign language is as fast as speech and more acceptable than text. BT is refining the system after field trials and examining ways of reducing costs. BT Laboratories: UK, 0473 647448.

#### Absorbing the bounce

English Architectural Glazing has developed a blast-resistant glazed cladding system, providing extra protection against bomb attack, writes Richard Lapper.

EAG's glass cladding is designed to bend rather than fracture with the force of a blast – like a tennis racket hit by a ball.

The system uses frames of a special aluminium alloy. Transoms and mullions are marginally wider than those used in conventional building design, helping keep the glass in its frame. But Norman Sheldrake, managing director, says they are narrower than in other blast-proof cladding systems. The EAG system differs little in appearance or cost from standard claddings. EAG: UK, 0638 510000.

#### Western training goes east

Four programmers from the Moscow Oil Refinery found language barriers falling when they attended a course at Independent Computer Solutions, a London consultancy.

ICOS sees a growing market in training programmers from eastern Europe. That for the Moscow programmers was aimed at giving them a thorough knowledge of Paradox, a database language for PCs. "The biggest obstacle was the language barrier," says Ian Lucas, ICOS training manager. "All communication was effectively carried out through Paradox. The computer became the tool with which cultural and language barriers were demolished."

Moscow will send over more programmers. ICOS has employed a Russian-speaking instructor to help its east European push. ICOS: UK, 071 4940010.

#### Pump device plugs leaks

To guard against leakages of toxic or flammable materials, David Brown Pumps has introduced a device which can be attached to a standard double seal assembly on any pump. It eliminates leaks of liquids or gases during the pump's operation and shuts down in the event of failure.

The unit is designed to operate under any pressure (however wildly fluctuating), with any fluid (however dirty), and at any temperature (however extreme). It uses a piston, moving vertically in a cylinder, to separate a clean barrier fluid above from the hazardous fluid transported below. It needs no electrical power, air or coolant supply. David Brown: UK, 0236 763311.

The first race of the 2000 Olympics begins on February 1. On that Monday, each city competing for the Games has to submit 30 copies of its final draft bid document to the International Olympic Committee in Lausanne.

This will be equivalent to Beijing, Berlin, Brasilia, Manchester, Milan and Sydney taking to their marks. They will be held in the "set" position for two weeks while IOC officials decide what amendments they want. The winner will be the first to produce 300 copies of an amended, completed document.

The prize will be the undivided attention of IOC members before the second-placed city's bid arrives.

## An Olympic paperchase

The IOC will make its choice of venue for the 2000 Olympics as early as September of this year.

The IOC wants simple bid documents in standard A4 size, printed on both sides to reduce weight and designed to make it easy to copy broken-out sections for experts to study particular details.

Since each bid document will run to hundreds of pages and several volumes, the race is a production management challenge. Manchester has decided to do the job in six days

with the help of Rank Xerox.

Its bid document will total 520 pages in three volumes, with parallel columns of English and French. Since some sections and illustrations will be in colour, potential problems seem enormous. If text is lengthened or shortened, or some illustrations have to be changed or dropped, the whole running order of pages could be affected.

Conventional printing methods could make this a nightmare. Just getting the imposition of pages cor-

rect on the presses, so they appeared in correct order in the finished product, would be difficult in a rush. Remaking hundreds of printing plates would also be time-consuming and expensive.

Manchester's approach will be to marry the converging high technologies of laser scanning and printing with photocopying, so that printing presses – and plates for them – will not be involved.

Russell Forsyth, Xerox's accounts manager for local government,

## If you're pursuing wealth abroad take a guide book.



Every month The International provides in-depth coverage of investment opportunities for those living abroad.

With around 100 pages of authoritative editorial in every issue it's the essential guide to the world of finance. And, because The International is published by the Financial Times, its pedigree is impeccable.

Of course thousands of shrewd subscribers have already realised The International's other great benefit – it's absolutely free. To join them simply complete the free subscription form below.

A FINANCIAL TIMES PUBLICATION

Yes, I have money to invest and live abroad. Please send me, FREE and without obligation, my monthly copy of The International, the personal finance guide for investors residing outside the UK and USA.

Job Title: \_\_\_\_\_

Company/Institution: \_\_\_\_\_

Country: \_\_\_\_\_

Postcode: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

The International, Boundary House, 91 Chancery Lane, London EC2M 3SR, United Kingdom.

Job Status: \_\_\_\_\_

1. Proprietor/Self-Employed/Partner

2. Employee

3. Consultant

4. Retired

5. Student/Unemployed

6. Other

7. Other

8. Other

9. Other

10. Other

11. Other

12. Other

13. Other

14. Other

15. Other

16. Other

17. Other

18. Other

19. Other

20. Other

21. Other

22. Other

23. Other

24. Other

25. Other

26. Other

27. Other

28. Other

29. Other

30. Other

31. Other

32. Other

33. Other

34. Other

35. Other

36. Other

37. Other

38. Other

39. Other

40. Other

41. Other

42. Other

43. Other

44. Other

45. Other

46. Other

47. Other

48. Other

49. Other

50. Other

51. Other

52. Other

53. Other

54. Other

55. Other

56. Other

57. Other

58. Other

59. Other

60. Other

61. Other

62. Other

63. Other

64. Other

65. Other

66. Other

67. Other

68. Other

69. Other

70. Other

71. Other

72. Other

73. Other

74. Other

75. Other

76. Other

77. Other

78. Other

79. Other

80. Other

81. Other

82. Other

83. Other

84. Other

85. Other

86. Other

87. Other

88. Other

89. Other

90. Other

91. Other

92. Other

93. Other

94. Other

95. Other

96. Other

97. Other

98. Other

99. Other

100. Other

101. Other

102. Other

103. Other

104. Other

105. Other

106. Other

107. Other

108. Other

109. Other

110. Other

111. Other

112. Other

113. Other

114. Other

115. Other

116. Other

117. Other

118. Other

119. Other

120. Other

121. Other

122. Other

123. Other

124. Other

125. Other

126. Other

127. Other

128. Other

129. Other

130. Other

131. Other

132. Other

133. Other

134. Other

135. Other

136. Other

137. Other

138. Other

139. Other

140. Other

141. Other

142. Other

143. Other

144. Other

145. Other

146. Other

147. Other

148. Other

149. Other

150. Other

151. Other

152. Other

153. Other

154. Other

155. Other

156. Other

157. Other

158. Other

159. Other

160. Other

161. Other

162. Other

163. Other



# The new bible for opera lovers

Max Loppert reviews the latest dictionary in the Grove opus

The original Grove was Sir George Grove (1820-1900). He was a very Victorian sort of polymath: a builder of bridges and lighthouses by profession, a passionate amateur of the arts who inter multa alia conceived of and edited the very first Grove's Dictionary of Music and Musicians.

This was published piecemeal from 1879 onwards, and in complete form in 1890. So far, there have been six editions of the Dictionary. The first five remained more or less single-edited operations under the control of a single editor. Then came Grove 6, published in 1980, and running to 20 volumes, far more than originally planned; it was edited by not just a main "Grove" - Stanley Sadie - but by three senior consulting "Grove" and 32 executive "Grove-lets" in tandem. These facts, and the re-naming of Grove 6 as *The New Grove Dictionary of Music and Musicians* (because almost all articles had of necessity been newly commissioned), may stand as symbols of the growth in the amount and kind of information on musical subjects ready and waiting to be codified to the taste of the late-20th century.

It did not stop there: Grove 6 engendered a mass of offshoots (long articles published as separate paperbacks), and then a couple of bigger developments - among them *The New Grove Dictionary of American Music*, requiring material new as well as redeveloped.

Now comes the latest epic of musical explication linking the Macmillan publishing company to the Grove name. *Opera Grove* is likewise edited by Dr Sadie, decked with editorial assistants, and longer than originally intended. It follows the Grove 6 layout and model, and claims "New" in its title for much the same reason as did Grove 6. That is to say: roughly 90 per cent of the articles have been newly commissioned, with the remainder reprinted from Grove 6 (and, on occasion, altered and/or cut without the original writer's sanction, as I can personally testify).

On the other hand, the four volumes stand taller and look even handsomer than

the 20 of Grove 6 (plush red instead of plain brown covers, gilt topping). The statistics relating to their contents - more than 5,700 pages, nearly 3,000 entries on composers and more than 2,500 on singers alone, with many others on related opera performers and departments, technical terms, theatres and cities with operatic links and traditions - are astonishing.

But then, this is altogether a pretty astonishing achievement. The meat of *Opera Grove* lies in its general articles - "Opera" itself, "Libretto" (the longest in the dictionary), "Criticism", "Production",

*The dictionary is a monument to the most unstable, labour-intensive, controversial and grandest of the Western performing arts*

"Stage Design", "Sociology of opera", and (for its good humour and good sense) Lord Harewood's "Casting" are just some I particularly admire - and in its entries on the composers. These latter stretch wide across the historical span, from the greats to the marginals, from Mozart to the 17th-century Italian Abbatini and the 19th-century Czech Josef Leopold Zvonar. New to *Opera Grove*, and hugely valuable, are the pieces on the most important individual operas of those composers - from *Figaro* to Puccini's *Abelone da Eteri* and Schubert's *Die Zwillingsbrüder*.

The more prominent the composer, the longer and more copiously detailed the entry. Ditto the operas themselves. Complaint about the inclusion of lesser-known figures and works from the past seems to me shortsighted; after all, today's Legrenzi may become tomorrow's Cavalli, once

some opera or recording company has newly revealed his merits.

Up-to-date-ness has been achieved, sometimes quite remarkably. William Bolcom, whose first full-scale opera, *McTeague*, had its premiere last October, is in, with eight sensible lines of description on the new opera itself. Indeed, of the noteworthy composers of new operas I have encountered in recent years, only the young Swede Hans Gelfors (composer of *Christina*) and the American Meredith Monk (creator of and performer in *Atlas*) lack entries.

This suggests a degree of consistency that, unfortunately, has not been achieved in other subsidiary departments. In his Preface Dr Sadie neatly pre-empted possible criticism on this score: "*The New Grove Dictionary of Opera* has been written by some 1300 people and it no doubt embodies many contradictions."

Nevertheless, the degree and type of inconsistency between articles prove far more considerable than this would seem to suggest. There is a sharp disparity of "tone" between the most abstruse theoretical discussions (e.g. "Analysis"), which seem to have been directed by one academic at another, and most of the rest.

As I recall them (having contributed sections 6 and 7 of "Gluck"), the *Opera Grove* author guidelines were primarily concerned with house-style, not substance. For the author this meant welcome freedom from stringent formula-fulfilment; but it has led to a variation in the balance struck between information and evaluation from article to article that will perhaps prove not so welcome to the amateur or newcomer to the subject.

My FT colleagues David Murray ("Strauss", full of elegantly expressed, theatre-tested perceptions) and Andrew Clements ("Berg", "Henzs" and several later 20th-century figures) are among

those who seem to me to get the balance right. Other longer articles I have read that "say something" beyond the merely factual include Rodney Milnes's characteristically zesty polemic in defence of Massenet, Richard Taruskin's brilliantly acute on Prokofiev and Mussorgsky, Julian Budden's re-evaluating Puccini with magisterial clarity and fairness, Amanda Glauert's judicious survey of Humperdinck, Richard Osborne's unfailingly lively "Rossini", by contrast, Julian Rushton ("Mozart") and Anthony Hicks ("Handel"), both undoubtedly scholarly in their grasp of fact and text, fail to illuminate their subjects as it were from within.

A more serious inconsistency arises in the longer single-work entries. Some give the details of first casts and those of important revivals, some do not. Some indicate key recordings, all the more important when the work is a rarity, some do not. This particular failure, an editorial rather than an authorial one, is significant. Recordings are for many people the main entry into the world of opera; the *Opera Grove* supply of discographical information is at once parsimonious and frustratingly uneven, leading to the curious situation that so huge and fact-filled a dictionary on opera should nevertheless require other sources of basic information to supplement it. I would have been happy to sacrifice the all-too-numerous entries on minor British singers to fill in at least the basic gaps.

In the matter of the singers' entries, the inconsistencies are of a different but even more troubling order: a favouritism amounting at times to absurdity in coverage of the British, and the sheer disparity in quality between the most illuminating pieces and the thuddingly unilluminating ones - the latter unfortunately far more numerous than the former.

All dictionary-reviewers play the inclu-

sion-exclusion game, and no doubt Dr Sadie is already hardened to its niggly results; but - just to take the example of lower-voiced male singers - it seems to me incomprehensible that the Englishmen Roderick Kennedy, Roderick Earle and Matthew Best, honourable second-rankers all, should have been included (with, however, no mention of Mr Best's conducting sideline) when no place was found for the Frenchman François Le Roux (leading Pélidas of our day), the Russian Vladimir Chernov (newest important "Italian" baritone), or the German Franz Grundheber

*One complaint is the uneven supply of discographical information, which is especially frustrating when the work is a rarity*

(leading Wozzeck of our day).

What distinguishes the illuminating singer's entry from the opposite kind is difficult to analyse. Still, when examples lie to hand of J. B. Steane and Desmond Shawe-Taylor at their most discerning on the "historicals", the reader may well come to regret all the more the prosaic stuff that is poured out to serve the current crop of singers. So many of them are deemed in some way "ideal" or "unrivalled" that the epithets soon lose their clout. This is clearly a part of the same "feel-good" factor that caused, say, Alan Blyth's vivid *Grove 6* summing-up of Gwyneth Jones to lose all mention of the "uncomfortable beat" in her tone when re-cycled in *Opera Grove*; and it often leads to the evasion of all "negative" characteristics, even when these are common knowledge. The situation with regard to other oper-

atic executants is less vexed. Barry Millington's accounts of "controversial" producers such as Ruth Berghaus are a pleasure to read for their lucid, balanced judgment. But still, the matter of who gets in and who does not causes puzzlements. Conductors: Lionel Friend but no Michel Flasson, Mark Ermler, Carlo Rizzi, Paul Daniel, or the late Pierre Dervaux or Charles Groves (musical head of two British opera companies during his lifetime).

Opera-house bosses: the ENO men Arlen, Harewood and Jonas, quite properly, but no Jeremy Isaacs, Nicholas Payne or Elaine Padmore. Critics require also to have produced books or translations to find a place; so it is odd that the FT's Ronald Crichton, William Weaver and Paul Griffiths, all three authors of studies with direct operative connections, have not. As for Dr Sadie's decision to exclude himself, this is modesty gone mad!

Even after so short an acquaintance with *Opera Grove*, I feel strongly that its editorial team badly needed - but failed ever to acquire - the dictionary equivalent of the cinematic Continuity Girl or Boy hovering around the set to ensure that scenes matched up when filmed out of order.

*Opera Grove* has already been attacked, from the loonier fringes of opera criticism, for an "ideological bias" that runs counter to the notion of opera-as-theatre. For this to be the case, the dictionary would have to show much more care and consistency in organisation and content.

Perhaps this is its saving grace. Probably a more consistent *Opera Grove* could only have been created by a race of operatic *Übermenschen*. Much of it suggests it has been created that: the wonder of the achievement. The latest *Grove* issue keeps faith with the bridge and light-house-building spirit and enterprise of its founding father: it is a monument to the most unstable, labour-intensive, perpetually controversial and grandest of the Western performing arts.

The New Grove Dictionary of Opera, edited by Stanley Sadie. Macmillan, 4 volumes, £550, 5,724 pages

## The lure of classical Italy

William Weaver on an exhibition touring the US

When the American painter Benjamin West first saw the Apollo Belvedere during a visit to Rome in 1769, he exclaimed: "How like a Mohawk warrior." What did he mean? His likening that supremely elegant classic figure, clad only in a decorative cape, to an equally naked James Fenimore Cooper hero wearing war-paint and feathers, showed a very 18th-century concept of nobility and a profoundly literary attitude towards native Americans. But the reaction also shows the long association between American artists and Italy.

That relationship, is explored in a carefully selected exhibition first shown at the Boston Museum of Fine Arts, *The Lure of Italy, American Artists and the Italian Experience 1760-1914* (it moves on to Cleveland and Houston). West, later to settle in London, is represented by several works, including a portrait of his wife and their oldest son, called Raphael, and as a further homage to the Renaissance artist, West imitated the pose of the *Madonna della seggiola* - a picture often copied by visiting painters to satisfy requests from art-loving customers back home.

West studied other classical works in Rome, among them the Ara Pacis, whose ritual procession is echoed in his neoclassical composition, *Agrippina Landing at Brindisium with the Ashes of Germanicus*, painted after the artist left Italy and settled in England. His powerful patron the Archbishop of York, who had commissioned the picture, then presented it to the King, who also became a patron of West's. Foreign travellers in those days tended to give Florence

short shrift while concentrating on Rome, Naples and its nearby Pompeii and Herculaneum. Italy represented classical civilisation and even in portraits, like the 1775 John Singleton Copley double portrait of the wealthy Carolina merchant Ralph Izard and his wife, there are numerous references to Roman and Greek culture: an urn, a column, the Colosseum in the distance and, in the middle ground, the 1st century AD group of Orestes and Electra.

As the 19th century began, a taste for landscape developed; and Lake Nemi, the Alban hills, the campagna with the arches of a solitary Roman aqueduct became standard ingredients of often large paintings. The tone was even more arcadian in the works of Thomas Cole and George Inness, major exponents of the Hudson River school, ready to abandon the untamed nature of wild America for Italian landscape rich in literary resonances.

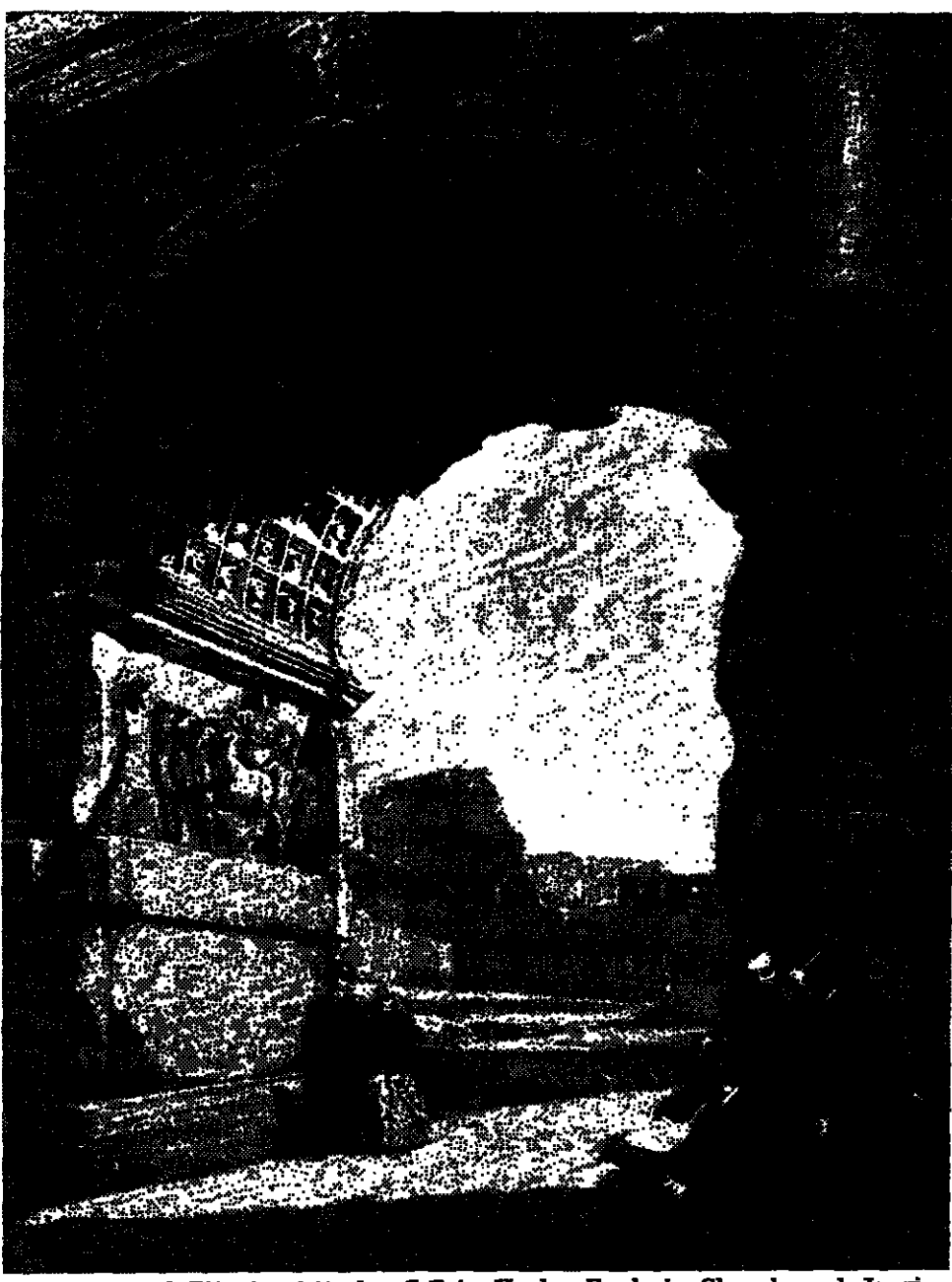
One of the most revealing curiosities of the exhibition is a canvas painted by three men (George Healy, Frederic Church and Jarvis McEntee) in 1871, entitled "Arch of Titus". The arch, framing the colosseum, is certainly the protagonist of the picture, but it also depicts two contemporary groups; one, in the right foreground, comprises the three artists; the other shows an elderly, white-bearded man strolling with a blond young girl. They are the poet Henry Wadsworth Longfellow and his daughter Edith. Though Longfellow had unkind things to say about Italy he was a devoted scholar of Italian culture and a thoughtful transla-

tor of Dante. Appreciation of American 19th century sculpture has lagged behind studies of the painting of the period; but this exhibition devotes considerable space to the works of Horatio Greenough (a Canova-like, idealised George Washington), Thomas Crawford, William Wetmore Story, Harriet Hosmer and Randolph Rogers.

Some Americans lived in Italy while remaining indifferent to modern Italy; but others shared in the turmoil and excitement of the Risorgimento years. There are occasional reflections of 19th century reality among the works to be seen: Albert Bierstadt's genre scene at the Portico d'Ottavio fish-market for a Fellinian vivacity, and Martin Johnson Heade's "Roman Newsboys", showing two urchins against a wall with Risorgimento graffiti. But the art is indirect tribute to the brief Roman republic of 1848-49, which allowed a free press and the publication of Don Pirione, the satirical sheet that the boys are selling.

By the end of the century, the capital of expatriate artists had moved to Venice, where American hostesses fought over Henry James and Robert Browning, while Whistler visited briefly, as did the neo-impressionist Maurice Prendergast. The Italian-born, cosmopolitan John Singer Sargent paid long visits to Venice, as he did to Rome. The Whistlers and Sargent in this show are particularly appealing.

Prepared by Boston curator Theodore Stebbins, also responsible for the fine catalogue, *The Lure of Italy* opens in February, and in May it goes to Houston for six weeks.



"The Arch of Titus", 1871, by G.F.A. Healy, Frederic Church and Jarvis McEntee, a curious painting showing the three artists in the foreground and Longfellow and his daughter under the arch

## Opera/Andrew Clements

### The ENO's car-lot 'Carmen' returns

David Pountney's car-lot *Carmen*, first seen in 1986, has been revived for a second time by English National Opera. Those who were repelled by it on previous occasions will no doubt stay well clear, but they will deprive themselves of some first-rate performances, not just from Sally Burgess in her return to the title role, but from almost every other member of the cast too.

Truth to tell, Pountney's translations of period and place do very little to illuminate the drama, and perhaps only emphasise that the central issues of *Carmen* are timeless ones. The urban debris of Maria Bjornson's set adds little save a generalised clutter, and for all that modish detail Pountney's production functions very much like a run-of-the-mill neo-realist show. It is post-modernism without any teeth, or a meaningful agenda. Perhaps it is just meant as a send-up, but at least it is one that has the tact to recognise those moments in the opera when real emotions come through. Nothing is done to upset Bizet's careful pacing and the musical text seems a correct, uncontentious one.

It is the energy of the revival, supervised by David Sulkin, that sustains the evening most effectively. Justin Brown conducts a very serviceable account that may not always be absolutely idiomatic but recognises that

there is no space in this show for contemplation. The pace is never allowed to slacken, and the bustling detail that has gone into the chorus work is vividly portrayed; the ENO chorus and the splendid children's groups work very hard indeed.

So too do the principals. Burgess's predatory, physical, exciting *Carmen* is presented with extraordinary vividness, every element of her singing, acting and, crucially speaking, is charged with intensity. She is well matched to Edmund Barham's Don José (new to the production). He sings with massive assurance and much style, and visually gives every sense of a hopeless, doomed victim, with no feeling of male superiority here.

There is a nicely trumpy Micaela from Cathryn Pope, a splendid tarty pair of gypsies from Ethna Robinson and Maria Moll and a growing, convincing Zuniga from Richard Angas. The party piece, though, is Donald Maxwell's glitter-rock Escamillo, all camp and colf, and positively poured into his skilful performance.

Like all jokes, one suspects, the production itself does not repay repeated scrutiny. But the performances do, and that of Ms Burgess especially, which seems to grow steadily in command and compelling intensity.

London Coliseum; performances until February 28. Revival sponsored by Guinness plc

## INTERNATIONAL ARTS GUIDE

The reopening of the Gemäldegalerie of Old Master paintings in Dresden has been one of the most significant events in the cultural life of the Saxon city since German unification. The museum was built by Gottfried Semper in 1845 to house the rich art collection of the Saxon princes, but by the mid-1980s the fabric of the building had fallen into serious disrepair.

East Germany's Communist government closed the museum in 1988 for a major renovation programme including structural repairs, rewiring, the creation of underground stores and laboratories, and the insertion of climate-control systems, as well as complete redecoration. Although the budget was cut drastically after the fall of the Berlin Wall, the new political situation allowed free consultation with museums in the West over the latest

technical developments, and also opened the way for western financial support.

Nearly DM100m has been spent so far on the renovation, shared by the Land of Saxony and the federal government. The museum has been returned as closely as possible to the decorative scheme devised by Semper.

Despite some criticism of the way some paintings have been ill or regrouped, the renovation has been enthusiastically received.

At the same time, the weapons collection of the Saxon princes dating from the 16th century - has been restored with its original decorative features. While Dresden cherishes its rich cultural heritage, visitors to Munich can admire the remarkable artistic legacy of Frederick the Great of Prussia, in an exhibition mounted by the Foundation of the Hypo-Kulturstiftung at its gallery in Theaterstrasse.

Major works by Rubens, Rembrandt and Van Dyck have come from Frederick the Great's private gallery at Sanssouci in Potsdam and from public collections in New York and Washington.

Antoine Pesne, one of the most important German 18th century portraitists, is represented by 15 paintings. There are also paintings by Watteau and the painter-architect Knobelsdorff, von Graff and Roslin. The exhibition runs till February 28.

### EXHIBITIONS GUIDE

**AMSTERDAM**  
Rijksmuseum North Netherlandish Art 1580-1820. Ends March 7. Also Gao Qipai (1660-1734) and the Art of Chinese finger painting. Ends Feb 28. Closed Mon  
Van Gogh Museum Glasgow 1900. Ends Feb 7. Daily

**ANTWERP**  
Musée Royal des Beaux-Arts From Brueghel to Rubens: the Golden Century of Flemish Painting 1550-1650. Ends March 8. Closed Mon  
**BARCELONA**  
Palau de la Virreina David Hockney: 73 paintings. Ends Feb 28. Daily

Museu Picasso Picasso: 180 paintings from the Ludwig Collection. Ends Jan 31. Closed Mon (Carrer Montcada 15-19)  
Fundació Caixa de Catalunya Photographic Reporting behind the Iron Curtain 1945-90. a

**BASLE**  
Kunstmuseum Five members of Group 33: a retrospective of several Swiss artists, all born between 1900 and 1910, who drew common inspiration from Mattise and Surrealism, and formed a summer artists' colony

In southern France from 1928 to 1935. Ends March 7. Also Gustav Stettler (1912-1982) and Max Kampf (b1913): paintings and drawings by two of the most influential Basle-based artists of this century. Ends Feb 7. Daily

**BERLIN**  
Neue Nationalgalerie Picasso: the post-Guernica period 1937-1973. Ends Feb 21. Closed Mon  
Alte Nationalgalerie The Collection of Count Raczynski: Paintings of the late Romantic era. Ends Feb 14. Also Art in Germany 1905-37. Ends April. Closed Mon and Tues

Brücke Museum Painting and Sculpture of the Brücke. Ends April 4. Closed Tues  
**DALLAS**  
Museum of Art The Impressionist and the city: Picasso's series paintings. Ends Jan 31

**DRESDEN**  
Zwinger French porcelain in Dresden: during a visit to Paris in 1809, August 1 of Saxony received as a gift from Napoleon a collection of French imperial porcelain, about 50 pieces of which have survived in reasonable condition. Ends April 15. Closed Fri

**FRANKFURT**  
Schirn Kunsthalle Edward Hopper (1882-1967): 160 paintings, watercolours and drawings by the realist painter of urban America. Ends Feb 14. Also Gabriele Münter (1877-1982): retrospective of the influential German artist. Ends Feb 10. Daily

**LONDON**  
Royal Academy of Arts The Great Age of British Watercolours: 300 works by Turner, Blake, Cotman and others, illustrating how between 1750 and 1880 the role of landscape painting and the perception of the natural world underwent a series of revolutionary changes. Ends April 11. Also Sickert retrospective. Ends Feb 14. Daily

**Accademia Italiana Ruskin and Tuscany:** 270 exhibits showing the impact of Tuscan culture on the Victorian polymath who became the most influential art critic and cultural historian in mid-19th century Britain. Ends Feb 7. Daily

**Tate Gallery Visualising Masculinities:** 13 paintings and sculptures exploring questions about the display of the male body in art since the mid-19th century. Ends June 6. Daily

**National Gallery Munich:** The Frieze of Life. Advance booking through First Call 071-497 9977. Ends Feb 7. Titian's Portrait of a Young Man, acknowledged as the most beautiful male portrait by Titian in private ownership, is now on show under a loan agreement with Halifax trustees. Daily

**British Museum Howard Carter:** before Tutankhamun. Ends May 31. Daily

**Design Museum Scandinavian design in Britain 1930-70.** Also New Directions in Scandinavian Design. Ends Feb 28. Closed Mon

**MADRID**  
Fundación Juan March Kasimir Malevich (1878-1935): 42 oil paintings by the Russian artist who invented Suprematism and painted the picture which would have ended all abstract pictures - a white square on a white ground (1918). Ends April 4. Daily

**NEW YORK**  
Metropolitan Museum of Art Ancient Near Eastern Treasures in the Louvre: 200 works representing a century of French archaeological excavation in Iran. Ends March 7. Closed Mon

Whitney Museum of American Art The Geometric Tradition in 20th century American Art. Ends Feb 14. Also Agnes Martin: 80th birthday retrospective. Ends Jan 31. Closed Mon

**PARIS**  
Musée d'Orsay Sisley. Ends Jan 31. Closed Mon, late opening Thurs (quai Anatole France)  
Musée d'Art Moderne de la Ville de Paris Figures du Moderne: 450 works by Kandinsky and other Expressionists. Ends March 14. Closed Mon, late opening Wed (11 ave du Président Wilson)

Louvre Veronese's The Marriage at Cana: an exhibition devoted to the restoration of one of the Louvre's largest pictures. Ends March 29. Closed Tues (Salle des Fêtes)  
Louvre Pannini (1691-1765): painter of town perspectives and chronicler of ceremonial festivities. Ends Feb 15. Closed Tues (Pavillon de Flore)

**Petit Palais French drawings of the 18th century.** Ends Feb 14. Closed Mon (ave Winston Churchill)  
Musée Picasso Crucifixion: an exhibition built around Picasso's masterpiece of 1930, and including works by Bacon, Sutherland and de Kooning which were influenced by it. Ends March 1. Closed Tues

**ROTTERDAM**  
Museum Boymans-van Beuningen French Masterworks 1800-1800 in Dutch collections: 48 works by Watteau, Chardin, Claude Lorrain, Boucher, Champaigne and others. Ends March 7. Also Etchings by James Tissot (1836-1902): prints of everyday life in English society, showing the French artist's keen psychological insight. Ends Feb 28. Closed Mon

**STUTTGART**  
Staatsgalerie Juan Gris (1887-1927): more than 100 paintings, collages and drawings by the Cubist pioneer. Ends Feb 14. Closed Mon

**WASHINGTON**  
National Gallery of Art Watson and the Shark: an exhibition based on the painting by colonial American artist John Singleton Copley depicting a dramatic rescue in Havana harbour. Ends April 11. Also The Greek Miracle: Classical Sculpture from the Fifth Century BC. Ends Feb 7. Contemporary Drawings and Prints from the Permanent Collection: 123 works by David Hockney, Jasper Johns and others. Ends March 14. Daily



Earlier this week, a British newspaper described Mr Karel Van Miert, the European Community's new competition commissioner, as "an old-style socialist".

It was a description which made the Belgian commissioner laugh: he says he intends to exercise EC competition rules "without ideological preconceptions". Mr Van Miert's style, it seems, will be different from that of his predecessor, Sir Leon Brittan, a British free-trader and former minister under the then Mrs Margaret Thatcher.

Sir Leon was often criticised for pursuing an unbending hard line against cartels, state subsidies, anti-competitive mergers and national monopolies. Together, he and Mr Peter Sutherland, the Irish commissioner who preceded him, built a strict competition policy into the backbone of the European single market.

When Mr Van Miert was appointed before Christmas, companies and governments that had fallen foul of Sir Leon breathed a sigh of relief, believing competition policy would be relaxed. Under Mr Van Miert, the thinking went, private-sector groups bent on expansion through takeovers would be subject to less rigorous scrutiny from Brussels; plans to liberalise national energy, telecoms and postal monopolies would be shelved; and governments would be given more leeway to subsidise loss-making state industries.

This view is too simplistic. First, Mr Van Miert has already demonstrated that he is no soft touch for big business. In his previous role as transport commissioner, he pushed through measures to liberalise the sheltered EC air transport market, despite the initial reservations of France and southern EC member states and some of the Community's largest airlines. Opponents won some concessions, notably on the timing of full liberalisation, but Mr Van Miert's low-profile negotiating style achieved the desired result: open competition on all EC routes by mid-1997.

This week, in his first interview since taking office, Mr Van Miert told the Financial Times he would adopt a similar approach to competition policy: determined, even-handed and pragmatic. The existing competition rules, he stressed, have not changed, but "from a philosophical point of view, there might be a different attitude on how to cope with the rules".

## No soft touch for business

Karel Van Miert, new EC competition commissioner, talks to Andrew Hill

In particular, Mr Van Miert explained, a strict competition policy would not be the sole guiding principle in anti-trust and state aid decisions. He said industrial, regional, social and environmental policy should also be taken into consideration. "I think the economy should be efficiently run, which means a fully fledged competition policy should be one of the main instruments," he said. "But competition is not the ultimate goal of the economy. The ultimate goal is for the economy to perform for the people, so that everyone gets his fair share and companies have a good environment to prosper, to invest and to be competitive."

How would this attitude work in practice? Mr Van Miert would not talk about specific cases, but referred to the three main areas of his work:

● Mergers. Mr Van Miert has to work within the strict framework of the 1990 EC merger rules. Under them, simple decisions are taken by the Commission's merger task force and only initiated by the commissioner. Sometimes, however, the attitude of the



Karel Van Miert: pragmatic

detailed negotiations between Commission and companies, which were a feature of Sir Leon's application of merger policy. "I feel we should avoid as much as possible intervening directly in the responsibility of how companies are run," said Mr Van Miert. In practice, however, he may have to make deals - or face the unpalatable

**'I think the economy should be efficiently run, which means a fully fledged competition policy should be one of the main instruments'**

competition commissioner is crucial. The controversial Franco-Italian takeover of de Havilland, the Canadian aircraft manufacturer, was only blocked by the Commission in 1991 because of Sir Leon's fierce opposition. Competition lawyers in Brussels believe Mr Van Miert might not have taken such a strong line.

Mr Van Miert himself suggested that in cases where the Commission is likely to oppose a merger, the companies themselves should be allowed to decide how the deal could be amended to meet Commission objections. That could mean an end to the

option of blocking a merger outright. ● Monopolies. Sir Leon Brittan told Mr Jacques Delors, the Commission president, that he would make liberalisation of state monopolies his principal aim. If he was given a second term, that may have been one reason why Mr Delors believed it was prudent to move Sir Leon from competition to the external trade portfolio - a move welcomed by Mr Delors' compatriots in France.

But in spite of the optimism of French energy and telecommunications utilities, Mr Van Miert said he had not shelved the Commission's special pow-

ers to liberalise anti-competitive monopolies. Much will depend on whether Mr Abel Matutes, the new energy commissioner, and Mr Martin Bangemann, who has added telecommunications and postal services to his industry portfolio, will want to enlist Mr Van Miert's support for an aggressive campaign against such groups.

● State subsidies. Competition lawyers and officials within the Commission believe this is the area where Mr Van Miert will face the most challenges to his authority. "One of the most interesting things to watch will be whether industries in crisis are going to be subject to special rules," said Mr Michael Reynolds, a partner in the Brussels office of Allen & Overy, the British law firm.

Sir Leon upset the French, Italian and Spanish governments by taking an extremely tough line on illegal state aids. But as the recession deepens in Europe, the pressure on governments to subsidise ailing industries is increasing. As Mr Van Miert put it: "These will be the most difficult decisions because of the economic situation, the difficulties in many sectors and because the margin for different assessments is bigger than in other [areas of policy]."

As if to underline the point, one of the first ministers to seek advice on Mr Van Miert's attitude to state intervention was Mr Michael Heseltine, president of Britain's Board of Trade, who came to Brussels yesterday with his suggestions for easing pit closures in the coal industry through subsidies. Mr Van Miert suggested in the interview that he may try to release the pressure on industries suffering from recession by giving governments longer in which to reduce state subsidies.

What Mr Van Miert now needs is a series of cases on which to cut his competition teeth. Followers of competition policy are concerned that he has not altered the composition of his cabinet to include any competition experts, but officials in the Commission's competition directorate are cautiously optimistic. "We have a very professional commissioner, who's experienced and with whom we feel quite comfortable," one official said.

Certainly his public profile is likely to be lower than that of his predecessor, Sir Leon, who delivered more than 400 speeches in his four years as competition commissioner. Mr Van Miert made about half that number as transport commissioner.

Joe Rogaly

## Lesson on the fax of life



Pillow-talk should be sacrosanct. What people say to one another in intimate moments is nobody else's business. The question of the week is - how can the personal privacy which is surely everyone's birthright be protected?

The answer is not readily apparent. It is certainly not to be found in Sir David Calcutt's report on the British press, published yesterday. For technology has made our bedroom walls transparent. The tapes purporting to record conversations between Prince Charles and Mrs Camilla Parker-Bowles are said (nothing is sure about any of this) to have been snatched from the airwaves by equipment able to receive and record conversations carried out on mobile telephones. The same result might conceivably have been achieved using other familiar gadgets, such as bugs, directional microphones, or ordinary telephone taps. The rapid growth in use of portable phones has, however, vastly increased the potential yield from electronic eavesdropping. The relative cheapness of scanners and receivers has multiplied the number of amateur listeners-in.

Add in faxes, and you change everything. Attempts to prevent disclosure of the contents of the "Prince Charles" tape in England would have been difficult enough when foreign publications were willing to print the prurient material in full, as many did. Facsimile transmission has made effective censorship virtually impossible. Once the transcript had been published in Australia, it was in the global public domain. Copies were quickly faxed to friends and contacts in Britain,

where most newspapers shrank from full disclosure, at least for a while.

A slightly older device, the photocopying machine, assisted distribution in London and elsewhere. Within half a day of the appearance of New Idea magazine in Sydney the contents of the tape were being distributed in buildings not five minutes' walk away from Buckingham Palace. This is the samizdat of the western world. We may have to live with it. If we want to stop it, we have to invent rules not yet thought of. We are confronted with new fax of life.

Sir David's report makes a breathless attempt to catch up

**Sir David's report makes a breathless attempt to catch up with these unpleasant side-effects of the microchip**

strengthening the law on telephone bugging. It has already accepted this advice.

It should, however, think long and hard before adopting any of Sir David's recommendations. Fortunately the heretage secretary, Mr Peter Brooke, intimated in the House of Commons yesterday that there is to be no statutory press complaints tribunal. Sir David went too far there. As to the rest, the prime minister made up his mind long before yesterday's report - probably when the telephone conversations of his friend Mr David Mellor, the former heretage secretary, were tapped. Physical intrusion into private property

is therefore to become a criminal offence, unless a public interest can be shown. That means no more foot-in-the-door, bugging or stealing snapshots with a telephoto lens. To stand a chance of being equitable, such a law should apply to all citizens. It should not be specific to the media.

The government has been divided about a privacy law, which the lawyers in the cabinet rightly perceive to be extremely difficult to draft. No longer. It will now consider the idea, although Mr Brooke acknowledged that such a law would have to take account of a wide range of "human and technological activity". I have written here in favour of introducing a tort of infringement of privacy, if it applied to ordinary citizens rather than public figures. There would be a public interest defence. Sir David favours something on these lines, but fails to add the other half of my proposed trade-off: a Freedom of Information Act.

Since there is to be no such deal, the press opposition to all of Sir David's recommendations is likely to be fierce. The Tory tabloids that helped put the Conservatives back in office last April have been fighting against the government for half a year now. Peace is not in sight. Yet the press needs public support. People buy the scandal sheets, and devour their contents, but hate the purveyors. Popular newspapers should practise the self-restraint that they discovered for a few nervous hours as they awaited Calcutt's verdict. If they do, they may yet see the proposed privacy bill fade away.

Once I would have mourned its passing; now, under the rule of the scanner and the fax, I wonder whether it will make any difference whether we have one or not.

## LETTERS TO THE EDITOR

Number One Southwark Bridge, London SE1 9HL

Fax 071 873 5938. Letters transmitted should be clearly typed and not hand written. Please set fax for finest resolution

### PM must make MI5 accountable

*From Ms Barbara Roche MP.*  
Sir, You reported ("MPs press for scrutiny of security services", January 14) that the prime minister is undecided as to whether to include parliamentary accountability of MI5 in his legislative plans.

As he claims to believe in open government, John Major should, for once, overrule his home secretary and act decisively. Kenneth Clarke told the home affairs select committee during our investigation: "I will account [for MI5] and I will not answer any of the tantalising questions."

Such a cynical dismissal of an all-party committee attempting to do its job is breathtaking. Taxpayers who fund MI5 have a right to know how their money is spent. Allegations of MI5 involvement in the arms-for-Iraq, Matrix Churchill and now the "Camillagate" affairs do nothing to boost public confidence in the security services. Clearly the committee would not wish to risk endangering life by interfering in operational matters, but it is high time the prime minister acted to ensure that the policies, administration and spending of MI5 are fully accountable to parliament.

Barbara Roche, member of home affairs committee, House of Commons, London SW1A 0AA

### No wastage in commercially minded construction quango

*From Sir Clifford Chetwood.*

Sir, I read with interest your article, "Resurgence of quangos defies Thatcherite initiative" (January 14).

The Construction Industry Training Board (CITB) does not receive direct funds from the government but collects a statutory levy from the construction industry and contracts with Training and Enterprise Councils and Local Enterprise Companies for further funding of training schemes.

The CITB is controlled and run for the benefit of the industry by senior executives of the construction industry, two trade unionists and two representatives of further and higher education.

The inference in the term

quango is of a flaccid organisation with no commercial controls, which wastes government and public money. This certainly does not apply to the CITB, which is run on commercial lines, with up-to-date management controls.

There are direct links with the industry, through the Federations' Advisory Committee and our network of 13 regional advisory committees which includes one for Scotland and one for Wales.

We have an independent audit committee conforming with the Cadbury Report and which reports direct to the main board of the CITB.

On the question of accountability, an annual consensus is sought by government from the industry before parliament

is asked to renew our statutory powers in the Annual Levy Order.

The essential factor that motivates the CITB is the need to give "value for money".

Finally, in the difficult climate that the construction industry operates under at this moment, it is agreed in the industry that without the CITB very little training would take place and many thousands of young people would be on the dole rather than pursuing training towards a craft qualification. If we are a quango, we certainly do not warrant the implied criticism of your article.

Clifford Chetwood, chairman, CITB, 24-30 West Smithfield, London EC1A 9JA

### Shetlands confident of overcoming oil disaster

*From Mr M A P McArthur.*

Sir, The full impact of the oil spillage on the Shetland islands will not be known for many months, perhaps years.

The oil industry is very much part of the way of life in Shetland and will continue to be so for a long time to come. However, in addition to the measures which have long been in place through Shetland Islands Council to manage Sullom Voe tanker traffic, there must also be increased national and international

efforts to ensure the safe marine transportation of oil and the protection of the environment by the introduction of additional maritime regulations.

We must not underestimate the difficult times that we face, but neither should we overstate them. Our economy has a solid base and we have an excellent name for producing quality goods and providing good services. It is very important to let everyone know that we are not going to allow this

disaster to rule us or affect the quality of any of our products or services.

The Shetland community is made up of resilient people and we will overcome any difficulties before us. We ask that our customers continue to have faith in our ability to supply quality products and services.

M A P McArthur, chair, Shetland Chamber of Commerce, 122 Commercial Street, Lerwick, Scotland ZE1 0EX

### Regulators giving unsatisfactory support at grassroots level

*From Mr Alan Simpson.*

Sir, There are two dimensions absent from your excellent leader, "Reviewing the Regulators" (January 13).

There is currently a debate instituted by the Post Office Users' National Council (POUNC) on the need for an advisory body to represent the public interest and to carry out independent research and auditing, in addition to a regulatory body for a privatised

utility with monopoly power. For example, in the case of the Post Office, the government is the regulator and POUNC the advisory body.

As secretary of Bridport's local advisory committees for both the Post Office and Telecommunications, I do not find my relationship with Ofcom as regulator altogether satisfactory.

It is my considered view that Ofcom does not give grassroots

advisory bodies enough support and specific advice.

The other matter is concerned with the quality of information on which regulators act. It is now commonplace to read of unsatisfactory audit reports from accountants, despite estimates suggesting that Britain employs per capita almost 10 times as many accountants as the Japanese economy.

How can the regulators do

their job if the information on which they act is flawed or unreliable? This is another argument for an independent advisory body capable of building up authoritative research to support a function of impartial advice to users and the government.

Alan Simpson, 18 Dodmans Farm Close, Bridport, Dorset DT5 3EZ

### Ignorance that makes 'Christian west' fear militant Islam

*From Alan Bati.*

Sir, Isn't it depressing? Day after day we read about "militant Islam" ("Cold war warmed over: Militant Islam has become the west's new evil empire", January 13), but what is depressing is not so much the perceived spread of Islamic militancy but the west's inability to understand the causes or to make any rational judgment about the future.

Edward Mortimer is, unfortunately, quite right in believing Islam has become the bogey of the west. One should clarify

this and say "the Christian west" because there is no doubt a strong bling of religious prejudice in its reaction. Added to that is the age-old fear of the great-unwashed taking their destinies into their own hands. For sure, this all leads, temporarily, to chaos and turmoil in the countries concerned but why should anyone else care? Is it a burning morality, with the west wanting to uphold the rights of individuals? Algeria's experience would suggest not. So what is it that causes the west to fear the so-called

Islamic revival? I would venture to say little more than ignorance and prejudice.

The Islamic movements are merely expressions of the common people against corruption, exploitation and oppression. In Latin America, the same people have turned to the Catholic church. In eastern Europe, they once turned to communism. These are simply duties - the vast majority have little real understanding of any of these ideologies but they find them a good frame of reference. They are comfortable

with them. Islam is not really what is important to the Islamic movements. When the other aims are achieved, the momentum behind the movements will dissipate. The west, by opposing these movements, simply strengthens them. Instead, it should learn to keep its nose out of others' peoples' troubles.

Alan Bati, Azabu Towers #304, 2-1-3 Azabudai, Minato-ku, Tokyo 106, Japan

## FT Lunch for a Fiver.

Two for a Tenner.

Last Saturday the Financial Times, in association with the "FT Lunch for a Fiver" with over 100 restaurants participating nationwide.

On Saturday morning Monday January 19 and Friday January 22 inclusive, you will be offered an "FT Lunch for a Fiver" lunch at participating restaurants. These will be listed daily in the Financial Times and published in full on Saturday January 16 in the FT Lunch for a Fiver menu in for two, courses (although some restaurants are offering three, drinks, coffee and service are extra).

### RESTAURANTS

Bahn Thai, 21a Fifth Street, London W1	Tel: 071 437 8504	La Rive Gauche, 61, The Cut, London SE1	Tel: 071 528 8645
Balzac, 4 Wood Lane, London W12	Tel: 081 743 6787	Sheelkey's, 28-32 St Martins Court, London WC2	Tel: 071 240 2565
Belgo, 72 Chalk Farm Road, London NW1	Tel: 071 267 0718	Smollensky's on the Strand, 105 The Strand, London WC2	Tel: 071 497 2101
Brasserie du Marché, 349 Portobello Road, London W10	Tel: 081 968 5828	Villandry Dining Rooms,	
Café des Arts, 82 Hampstead High Street, London NW3	Tel: 071 435 3688	88 Marylebone High Street, London W1	Tel: 071 487 3816
Camel Brasserie, 222 Kensal Road, London W10	Tel: 081 960 2732	Zoe, 3-5 Barrat Street, London W1	Tel: 071 224 1122
Drones, 1 Pont Street, London SW1	Tel: 071 235 9638	Café Rouge, 855 Fulham Road, London SW3	Tel: 071 371 7680
Frederick's, Camden Passage, Islington, London N1	Tel: 071 359 2888	Café Rouge, 6-7 South Grove, Highgate Village, London N6	Tel: 081 342 9797
Gilbert's, 2 Exhibition Road, London SW7	Tel: 071 589 8947	Café Rouge, 19 High Street, Hampstead, London NW3	Tel: 071 433 3404
Graham's Seafood, 38 Poland Street, London W1	Tel: 071 437 0975	Café Rouge, 31, Kensington Park Road, London W11	Tel: 071 221 4449
Ming, 35-36 Greek Street, London W1	Tel: 071 734 2721	Tutti, 17-20 Kendal Street, London W2	Tel: 071 724 4637
Palio, 175 Westbourne Grove, London W11	Tel: 071 221 6624	Wheeler's, 1-4 South Molton Street, London W1	Tel: 071 629 2471
Pizzicato, 34 Rupert Street, London W1	Tel: 071 734 0122	Wheeler's, 20 Dover Street, London W1	Tel: 071 629 5417
Restaurant and Arts Bar,			
75 Wigmore Street, Jacobs Court, London W1	Tel: 071 224 2992		

In tomorrow's Weekend FT there will be a complete list of the participating Restaurants

We are also launching a competition to enter a free prize draw, in which you could win a weekend for two at Gillingham Park, Gillingham, Devon.

Every weekday from 11.00am to 1.00pm, the Financial Times will pose an "FT Lunch for a Fiver" question. Answer any 10 of the 15 questions in the "FT Lunch for a Fiver" menu in for two, courses (although some restaurants are offering three, drinks, coffee and service are extra). Your answers will be published every day between 2.00pm and 4.00pm, and sent to us at the address given below. Your comments on your favourite "FT Lunch for a Fiver" menu will also be welcome.

### QUESTION 5: Where are you 30 seconds before midnight?

#### ANSWER 5:

Answer this question, together with 9 others published during the competition period, and send them, together with a completed entry form to "FT Lunch for a Fiver", Number One Southwark Bridge, London SE1 9HL, to arrive no later than Friday February 12 1993. The prize draw will be made on Monday February 15 1993. The sender of the first correct entry drawn after the closing date, from all the entries received, will be declared the winner. Full details of the competition are available from the Marketing Department of the Financial Times at the address given above, or on Tel: 071 873 3670.







## Aircraft carrier, jets and frigates to give British soldiers protection UK warships will go to Adriatic

By Ralph Atkins and David White in London and Robert Mauthner in Geneva

THE UK government yesterday said it would send warships and extra troops to protect - and if necessary evacuate - British soldiers in Bosnia-Herzegovina.

Mr Malcolm Rifkind, British defence secretary, said the aircraft carrier Ark Royal, with Harrier jets and helicopters, would sail for the Adriatic on Sunday along with two frigates and three support ships, carrying a total of about 2,500 personnel.

Mr Rifkind emphasised, however, that Britain's role of escorting humanitarian aid supplies would not change. The troops would not be used to intervene in fighting between rival factions in former Yugoslavia.

With many Tory MPs and ministers jittery about further UK casualties in Bosnia, Mr Rifkind stressed that the forces' task was to "enhance the safety of our troops".

Plans are also in hand for further possible reinforcements including heavier artillery as well as the dispatch of Jaguar ground-attack aircraft and Tornados F3 fighters to Italy. Mr Rifkind did not rule out sending further aircraft in addition to the eight Sea Harriers and 17 Sea King helicopters going with the Ark Royal task force.

The reinforcements follow about 25 serious outbreaks of violence in the past week in the area where British troops are operating, including the death on Wednesday of a lance corporal, the first fatality among UK forces there.

Mr Cyrus Vance and Lord Owen, the co-chairmen of the Geneva peace conference on Bosnia, are due to fly to Zagreb today for talks on their proposed peace settlement with President Franjo Tudjman of Croatia and President Alija Izetbegovic of Bosnia.

Their meeting follows the surprise change of heart by the

leader of the Bosnian Serbs, Mr Radovan Karadzic, at the Geneva talks earlier this week, when he finally accepted the Vance-Owen constitutional plan for Bosnia, after first rejecting it.

However, Mr Karadzic's endorsement of the proposals was conditional on their approval by the Bosnian Serb Assembly within seven days. The parliament is due to discuss the plan at the end of next week.

Amid rising expectations that the assembly would give its approval, in spite of the opposition of a powerful group of hardliners, the European Community yesterday warned the Bosnian Serbs that they would face additional punitive measures from the United Nations unless the plan was accepted unconditionally.

Meanwhile, Mr Haris Silajdzic, the Bosnian foreign minister, said yesterday that there would be no end to the bloodshed in Bosnia until all heavy weapons were placed firmly under interna-

tional control. Mr Silajdzic, who was on a private visit to London during which he had talks with Mr Douglas Hurd, British foreign secretary, said the monitoring of heavy weapons as proposed by the international mediators in the Geneva peace talks was not enough.

"They have to be controlled physically by the United Nations," he said. "Otherwise the killing will go on."

Measures to control the heavy weapons in Bosnia are part of the agreement on the end of hostilities which, together with the map of 10 provinces into which the country is to be divided, have yet to be discussed in detail at the Geneva talks.

So far, only the Bosnian Croats have signed all three documents of the Vance-Owen package deal. The provincial boundaries are still disputed by both the Bosnian Serbs and Moslems, while the military agreement has not yet been approved by all parties either.

## UK bank cleared by probe over misconduct claims

By Robert Peston, Banking Editor, in London

NATIONAL Westminster Bank, the UK's second biggest bank, was yesterday cleared by a Department of Trade and Industry investigation of allegations that it deliberately withheld important documents from a 1989 DTI inquiry into the Blue Arrow affair.

The DTI report also said there was "no substance" to a variety of other "allegations of dishonesty and impropriety which have been levelled at senior officers of NatWest".

Lord Alexander, the bank's chairman, who had requested the probe last April, said: "This is a welcome end to an episode from which the bank learned important lessons several years ago." He had asked for the investigation, which cost the DTI £2.4m, in order to clear the bank's name, after criticism of the bank during the 1991 Blue Arrow trial which was repeated in The Economist magazine.

Mr Tom Frost, the bank's deputy chairman who had been accused of misleading the 1989 inquiry, said: "I am glad that the record has finally been put straight." Also cleared of misconduct was Wilde Sapte, the firm of solicitors which advised NatWest during the original DTI inquiry.

However, NatWest was criticised by the inspectors for its decision to make Mr Stephen Clark redundant shortly after the Blue Arrow trial had begun in early 1991. Mr Clark was a director of NatWest's investment bank, County NatWest, and was a defendant in the trial. He was acquitted in October 1991.

The report also gives an unusually detailed account of the Bank of England's supervision department, whose activities are normally shrouded in secrecy. It shows the supervisors as not very aggressive in investigating alleged wrongdoing at a leading bank, reinforcing criticisms of its supervision of the corrupt Bank of Credit and Commerce International.

Editorial Comment, Page 11

## Something rotten in the government of Denmark

By Hilary Barnes in Copenhagen

IT STARTED with an illegal decision by a Danish minister of justice, and snowballed when his cabinet colleagues tried to cover up for him. Yesterday the affair that has become known as "Tamilsgate" turned into Denmark's most damaging political scandal since 1945.

The prime minister, Mr Poul Schlüter, who had held the office for more than 10 years, resigned last night in disgrace following the publication of a 6,000-page report by a judicial inquiry. The minority Conservative-Liberal coalition over which he had presided looks unlikely to survive.

His departure has plunged Denmark into political uncertainty just two weeks after it took over the rotating presidency of the European Community. It has removed a leader whose talents as a conciliator gave the country an unaccustomed degree of political stability. And it may, in the short term, prompt a burst of speculation against the Danish krone, which has been sporadically under pressure in Europe's exchange rate mechanism.

The affair began in 1987, when Mr Erik Ninn-Hansen, justice minister at the time, ordered civil servants to delay entry visas for the wives and children of Tamil refugees, although the Tamils had an explicit right under Danish law to bring their families to the country.

The affair began to become a serious liability for the government when it emerged that attempts were made to prevent the parliamentary ombudsman from looking into the case.

The controversy turned on whether the prime minister tried to cover up parts of the scandal in a 1989 speech to parliament.

Yesterday's report by High Court judge Mogens Hornslet was damning in its conclusions. Mr Schlüter "has given the Folketing (parliament) and the Folketing's justice committee incomplete information, and in the commission's view, he must have known it", Judge Hornslet concluded.

The judge found that in his

THE DANISH PARLIAMENT	
Parties	Seats
Ruling coalition	
Conservative	30
Liberal	29
Suppliers	
Centre Democrats	9
Christian People's	4
Radical Liberals	7
Opposition	
Social Democratic	69
Socialist People's	15
Anti-Maastricht	
Progress	12
Special seats	
Faroese	2
Greenland	2
Total	178

1989 speech Mr Schlüter misled MPs on nine separate points and provided them with information which was "directly wrong". The word "lie" is not used.

Mr Ninn-Hansen's successor as minister of justice, Mr H.P. Clausen, who was also strongly criticised for giving misleading and incorrect information to parliament, has resigned his post as parliamentary speaker.

A lawyer by profession, Mr Schlüter was Denmark's longest-serving postwar prime minister. When he took office in September 1982, ending the 50-year domination of Danish politics by the Social Democratic party, the country was suffering from huge balance of payments and budget deficits and neither he nor anyone else thought that his govern-

ment would endure for more than a few months. Instead he will be remembered as the leader of a government which restored the country's finances. There is now a large current account surplus and although the budget has recently dipped into the red again, it is one of the smallest deficits in the EC.

On at least two occasions Mr Schlüter showed great political courage. In 1985, a centre-left majority in parliament was prepared to prevent Denmark ratifying the Single European Act. He dished the opposition by calling a referendum.

In 1988, the same parties created a crisis in the country's relations with Nato by demanding that alliance vessels entering Danish waters should declare whether or not they were carrying nuclear weapons. On that occasion Mr Schlüter settled the issue by calling a general election.

Following Mr Schlüter's resignation, confusion prevails as to what happens next. An election is unlikely, so there will now be an interregnum while the eight Folketing parties try to establish majority support for a successor.

The outgoing prime minister has nominated Mr Henning Dyrnes, the finance minister, but it was unclear yesterday whether he would obtain the necessary support or whether there will be a change of government, which might let in the Social Democrats after 10 years in opposition.

Although Denmark's political crisis may leave the EC rudderless for the time being, political commentators in Copenhagen do not expect it to affect the outcome of the second Danish referendum on the Maastricht treaty on European union, which will probably be held in May.

## Denmark's prime minister resigns

Continued from Page 1

resignation announcement, it was quoted at Dkr3.8646 at lunchtime in the US, compared with its ERM floor of Dkr3.9016.

Mr Schlüter's resignation came just as Denmark was launching a campaign to set priorities for its six-month presidency of the EC. These include an early start to enlargement talks with Austria, Finland, Sweden and Norway;

greater transparency in EC decision-making; more subsidiarity - the devolution of decision-making to the appropriate national, regional and local level; and a push for tougher environmental legislation.

Mr Schlüter was only one victim of yesterday's report. The Speaker of the Folketing, Mr H.P. Clausen, also resigned, while several senior civil servants may face disciplinary action.

Tamilgate began in 1987 when Mr Erik Ninn-Hansen, as justice minister, broke the law by ordering civil servants to postpone entry permits for the wives and children of Tamil refugees from Sri Lanka.

In the UK, Euro-sceptic MPs called for debate of the bill implementing Maastricht to be suspended pending clarification of any consequences for the second Danish referendum.

## US says only half targets were hit

Continued from Page 1

radar had been switched off during the raids but was now fully operational. "The aim was not to give a pretext for aggression," a military spokesman said. "Now, our anti-aircraft batteries with all their types are prepared to confront hostile activity."

Mr Saddam threatened earlier that any aircraft in Iraqi airspace would be a target for Iraq.

Mr Tariq Aziz, deputy prime minister, said Iraq had accepted

two of the UN demands which provoked the raids. It would stop its incursions into Kuwait near the port of Umm Qasr and would allow UN weapons inspectors to fly to Baghdad in their own aircraft. But he repeated that Iraq would never accept the two no-fly zones set up by the allies.

Jordan and Egypt led yesterday's Arab criticism of the attack. They said the western allies applied double standards to the enforcement of UN resolutions.

Mr Esmat Abdel-Maguid, secretary general of the Arab League, said military action against Iraq was not acceptable. "The air attack by the three western countries is a threat to the territorial integrity of Iraq and to the safety of the Iraqi people," he told a press conference.

Mr Richard Cheney, US defence secretary, dismissed Iraqi claims of civilian casualties as "gibberish". Baghdad said 19 died in the air strike.

US aircraft resumed patrols of

the no-fly zone yesterday to complete damage assessments and see if Iraqi aircraft seemed likely to act on Mr Saddam's threats of retaliation. Defence officials said further strikes might be triggered if Iraq continued to provoke the coalition.

"If Saddam doesn't comply, if he continues the kind of behaviour that we have seen in recent days, then we are perfectly prepared to use force again before January 20 when we leave office," Mr Cheney said.

World Weather		°C		°F		°C		°F		°C		°F		°C		°F	
		Boulogne	F	9	48	Frankfurt	F	11	52	Majorca	S	18	61	Oporto	S	14	57
		Brussels	S	9	48	Geneva	R	10	50	Malaga	S	15	59	Oslo	F	3	37
		Budapest	F	6	43	Glasgow	F	15	59	Malta	F	18	61	Paris	S	10	50
		Buenos Aires	F	36	95	Helsinki	S	3	37	Manila	F	31	88	Prague	F	9	48
		Cairo	S	18	61	Hong Kong	S	1	34	Medan	S	34	93	Reykjavik	S	-7	19
		Cape Town	S	23	72	Inverness	F	16	61	Montevideo	C	21	70	Stockholm	S	16	61
		Cardiff	F	26	79	London	F	8	46	Moscow	C	22	72	Sao Paulo	F	36	97
		Chongqing	S	15	59	Los Angeles	S	4	39	Mumbai	C	19	66	Singapore	S	30	86
		Copenhagen	F	10	50	Madrid	F	18	65	San Francisco	C	11	52	Sydney	S	17	63
		Dallas	S	10	50	Manila	S	9	48	Santo Domingo	C	26	79	Taipei	S	10	50
		Dublin	F	13	55	Medan	S	34	93	Sao Paulo	F	36	97	Tokyo	C	10	50
		Hankow	S	1	34	Montevideo	C	21	70	Singapore	S	30	86	Toronto	C	8	46
		Hong Kong	S	1	34	Stockholm	S	16	61	Sydney	S	17	63	Valencia	S	14	57
		Inverness	F	8	46	Sao Paulo	F	36	97	Taipei	S	10	50	Vladivostok	S	12	54
		London	F	8	46	Singapore	S	30	86	Tokyo	C	10	50	Warsaw	F	9	48
		Los Angeles	S	4	39	Santo Domingo	C	26	79	Toronto	C	8	46	Washington	F	9	48
		Madrid	F	18	65	Sydney	S	17	63	Valencia	S	14	57	Zurich	C	9	48
		Manila	S	9	48	Taipei	S	10	50	Vladivostok	S	12	54				
		Medan	S	34	93	Tokyo	C	10	50	Warsaw	F	9	48				
		Montevideo	C	21	70	Toronto	C	8	46	Washington	F	9	48				
		Moscow	C	19	66	Valencia	S	14	57	Zurich	C	9	48				
		Mumbai	C	19	66	Vladivostok	S	12	54								
		San Francisco	C	11	52	Warsaw	F	9	48								
		Sao Paulo	F	36	97	Washington	F	9	48								
		Singapore	S	30	86	Zurich	C	9	48								
		Santo Domingo	C	26	79												
		Sydney	S	17	63												
		Taipei	S	10	50												
		Tokyo	C	10	50												
		Toronto	C	8	46												
		Valencia	S	14	57												
		Vladivostok	S	12	54												
		Warsaw	F	9	48												
		Washington	F	9	48												
		Zurich	C	9	48												

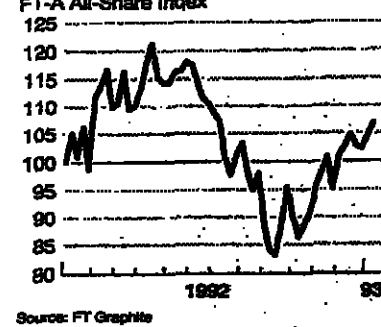
## THE LEX COLUMN

### Boxed in at TSB

FT-SE Index: 2759.2 (+13.9)

#### Rank Organisation

Share price relative to the FT-A All-Share Index



on the road to recovery. The danger for the equity market is in over-estimating the speed at which it will travel. The £15m loss in video distribution will surely narrow further in 1993 and it is scarcely conceivable that Butlins will have as bad a year as 1992, but Rank itself is rightly cautious about the return of UK consumer confidence and the outlook for Rank Xerox is poor.

Rank seems set for a year of only modest profit growth. Further hotel disposals may make a small dent in its debt and the signs are Rank may realise quite attractive prices. But, barring a sale of its film and television interests, gearing will still be undeniably high a year from now. That means dividend growth may be slow to resume. Rank may yet be tempted to launch a rights issue once serious recovery gets under way. Small wonder the vultures are hovering over the film interests even though Rank categorically maintains they are not for sale. It might make more strategic sense for Rank to exit from its joint venture with Xerox. But if a serious offer did emerge for the film interests, shareholders would be right to demand it not be rejected out of hand.

There is not much point any more in arguing about whether the Rank Organisation was wise to buy Mecca in 1990. The purchase left the company saddled with a large debt burden at just the wrong time in the cycle. Even critics of the original purchase must admit that the company has managed to live with high gearing reasonably well. Capital spending has been maintained at a level high enough to keep ahead of its competitors. Thanks admittedly to £15m worth of disposals, it recorded a positive cash flow of £50m last year before currency translation changes.

Now that conditions in the US are starting to improve, Rank thus seems

#### United Biscuits

The news that United Biscuits may be experiencing hunger pangs for a Spanish cookie company has unsettled the UK company's shares, if somewhat prematurely. UB stresses its interest in buying the biscuits business of Royal Brands is preliminary. Besides, UB appears well aware of the market's fears about its over-stretching itself following acquisitions in Australia and the US. It promises not to do anything to jeopardise its steady rehabilitation with disappointed shareholders.

Nevertheless, UB must be tempted to have a nibble. Royal Brands is an attractive business. Its biscuits arm, which accounts for 40 per cent of sales, may be worth £100m. In better circumstances, this would hardly be a lot of money for UB. It may, however, prove heavy enough with the company's gearing standing at more than 80 per cent.

The suspicion is that Royal Brands' owner, Tabacalera, is trying to entice UB into an auction with RJR Nabisco. It claims the US company has already made a firm offer for half the business. This would be a dangerous game for UB. What Nabisco is playing around at is baffling. After disposing of its European food business following its enormous leveraged buy-out in 1988, Nabisco now appears to be trying to build it all back up again. At least it can claim some familiarity with Royal Brands' biscuits division. It sold it to Tabacalera.

#### Rhône-Poulenc

Another profits warning from Rhône-Poulenc does not inspire confidence that management has its finger on the pulse. Until the autumn, the company was predicting profits growth of more than 15 per cent for 1992. Now the increase may be little more than 5 per cent. The downturn in chemicals in the final months of the year must have caught the company



Without us,  
there'd be fewer  
happy landings.

Taking the strain as aircraft land is a critical task for Dowty landing gear - regularly absorbing forces of up to 250 tonnes, hitting the runway at speeds of 140mph.

Experience gained from 60 years' service and continuous innovation in landing gear design have resulted in Dowty now fitting many of the large civil aircraft programmes currently in production. Dowty gear supports aircraft from the 6-seater Piaggio Avanti right up to the 350-seater Airbus A340, one of the world's largest civil aircraft.

Dowty is one of TI Group's three specialised engineering businesses, the others being John Crane and Bandy. Each one is a technological and market leader in its field. Together, their specialist skills enable TI Group to get the critical answers right for its customers. Worldwide.

**TIGROUP**

WORLD LEADERSHIP IN SPECIALISED ENGINEERING

For further information about the TI Group, contact the Department of Public Affairs, TI Group plc, Lambourn Court, Abingdon Business Park, Abingdon, Oxon OX14 1UR, England.

مكتبة الشرح



**NOMURA**  
Local Commitment  
Global Capacity  
Nomura International plc, Nomura House  
1, St Martin's Lane, London EC4A 3DF  
Telephone: 071-236 8611 Telex: 883119  
Member of SFA and ISE

# FINANCIAL TIMES COMPANIES & MARKETS

Friday January 15 1993

Net Profit through Networking  
with  
**NEWBRIDGE**  
Building Business Networks  
Newbridge Networks Ltd.  
0633 413600 071 638 0022

## INSIDE Rhône-Poulenc cuts forecast again

Rhône-Poulenc, the French state-owned chemicals group set for partial privatisation, estimated that operating profits rose between 5 per cent and 10 per cent last year. It was the third time the company downgraded its 1992 operating profits forecast - a fortnight before the government's self-imposed February 1 deadline for selling the public at least 6m Rhône-Poulenc shares. Page 14

## Digital puts squeeze on losses

Digital Equipment unveiled better than expected second quarter results, with losses narrowing as the computer manufacturer cut costs and restructured. Net losses for the period were \$73.9m against \$155.2m last year, and the share price rose sharply on the news. Mr Robert Palmer (left), president and chief executive, said: "We are encouraged with our progress toward the transformation of Digital." Page 15

## Commerzbank advances 20%

Commerzbank, the third largest of Germany's big banks, lifted operating profits last year 20 per cent to DM2.2bn (\$1.38bn) after strong trading in the last two months of 1992. The figures, ahead of brokers' expectations, have been released early to support the bank's long expected rights issue, announced earlier this week. Page 14

## Westpac rocked as Packer quits

Westpac, the troubled Australian bank, was plunged into renewed uncertainty after Mr Kerry Packer (left) and an associate resigned from the board following a dispute about the bank's restructuring programme. Westpac shares fell, underlining market concern about the departure of Mr Packer, proprietor of the Consolidated Press Holdings media group, and Mr Al Dunlop, ConsPress managing director. Page 16

## Latin American markets shine

Latin America showed strong gains among emerging markets last month. Page 46

## Market Statistics

Base lending rates	42	London share service	35-37
Basebank Govt bonds	20	London share service	35-37
FT-A indices	35	London share service	35-37
FT-A world indices	35	London share service	35-37
FT fixed interest indices	28	London share service	35-37
FTISMA int bond svc	28	London share service	35-37
Financial futures	42	London share service	35-37
Foreign exchange	42	London share service	35-37
London recent issues	28	London share service	35-37

## Companies in this issue

3i	23	Joykeel Investments	23
AMR	15	Jones Stroud	21
Aberforth Smaller	23	Kleen-ze	21
Airtours	22	Lloyds Abbey Life	23
Akal Electric	15	London Atlantic	23
Amstrad	5	MFI Furniture	35
Arjo-Wiggins Appl'n	8	Malaysian Resources	16
Arnots	16	Mazda	22
Aspen Communications	16	Microgen	13
BOC	23	Miller Brewing	13
BP	35	Molson Breweries	13
Bangkok Bank	16	National Westminster	22
Bank of New York	15	Neotronics	16
Binalone	8	New Straits Times	16
Birkdale	23	Nissan	16
Campbell Soup	16	North Brit Canadian	23
Cellnet	21	Omni-Asia	23
Coats Virella	14	Pirelli	14
Comerbank	14	Postpank	14
Cray Electronics	21	RJR Nabisco	13
Deira Air Lines	15	Rank Organisation	22
Denmans Electrical	12	Rhone-Poulenc	4, 12
Digital Equipment	23	Royal Brands	13
Fanfane Electronics	23	Securicor	21
First Spanish	15	Security Services	21
Fletcher Challenge	22	Siemens	13
Goode Durrant	23	Stanley Leisure	23
HBP	23	Swedbank	15
Hampson Inds	16	Swiss Bank Corp	13
Hawthwa	15	TSP	35, 21
Hilton Hotels	21	Tabacalera	12
Hoare Govett	14	Thyssen	14
Hypobank	23	UAL	15
IAWS	21	United Biscuits	35, 12
Intericare	16	Westpac	16
JP Morgan	22	Windsor	22
Japan Airlines	21	Wyko	21
		Youghal Carpets	23
		Zale Corp	23

## Chief price changes yesterday

FRANKFURT (DM)	PARIS (FFP)
Rhône	623 + 22
DLW	437.5 + 13.5
Dynalco Hdg	426 + 15
Phila	1054 + 24
Colson Krom Pl	450 + 14
Halsbach Zam	845 + 15
Phila Common	525 + 13
Phila	459 + 10
NEW YORK (\$)	TOKYO (Yen)
Phila	151 + 9
Comp Corp	770 - 47
Digital Equip	511 - 39
IBM	710 - 50
Motors	2250 - 190
Phila	300 - 20
Morgan (JP)	

New York prices at 12:30.

LONDON (Pence)	Microgen
23 + 4	219 + 8
23 + 4	219 + 8
23 + 4	219 + 8
23 + 4	219 + 8
23 + 4	219 + 8
23 + 4	219 + 8
23 + 4	219 + 8
23 + 4	219 + 8
23 + 4	219 + 8
23 + 4	219 + 8

## Miller Brewing to buy 20% Molson stake

By Bernard Simon in Toronto and Nikki Tait in New York

MILLER Brewing, the beer arm of US food and tobacco group Philip Morris, is broadening its international horizons by buying a 20 per cent stake in Molson Breweries, Canada's biggest brewer. Molson is a joint venture between Molson Companies of Toronto and Australia's Foster's Brewing.

Miller's US\$273m investment is part of a wider alliance with Molson and Foster's, which will also give the Milwaukee-based company marketing and distribution rights in the US to a range of imported beers produced by the Canadian and Australian groups.

The deal will also help Molson realise a long-held ambition to join a wider international brewing alliance.

Molson Companies and Foster's will each retain a 40 per cent stake in Molson Breweries, which controls about half the Canadian beer market. Revenues totalled

C\$632m (US\$494m) in the six months to September 30. The company already brews Miller brands under licence in Canada. Miller will pay a royalty on Molson and Foster's sales in the US. Molson is the second-largest imported beer in the US after Heineken. Its products, led by Molson Golden and Molson Light, have a share of about 16 per cent of the imported market.

Miller said yesterday that Molson and Foster's brands will be a "strong complement" to its existing products. But Mr Allan Kaplan, brewing analyst at Merrill Lynch in New York, said the deal was a small one for a company of Philip Morris's size and financial resources, and that it would only modestly augment Miller's volumes in the US.

The deal with Molson follows Philip Morris's purchase last month of a 7.9 per cent interest in Fomento Economico Mexicano, Mexico's biggest beverage company. Philip Morris, through Miller Brewing which it acquired

in 1970, is number two in the US beer market, with an estimated 23 per cent share behind St Louis-based Anheuser-Busch's 45.5 per cent. However, competition has been intensifying in a contracting market.

Miller Brewing posted a 41.5 per cent drop in third-quarter operating profits to \$55m, because of lower volumes and a provision for an early retirement programme, while operating revenues fell almost 8 per cent to \$1bn.

## JP Morgan trading income falls to \$200m

By Alan Friedman in New York

JP MORGAN, the New York banking group, was hurt in the fourth quarter by a decline in trading revenues caused by losses in the trading of mortgage-backed securities.

Although it has consistently turned in results that were above the industry average over the past year - and yesterday unveiled a 21 per cent increase in its 1992 full-year net profits to \$1.382bn - the decline in fourth-quarter trading income triggered a drop in Morgan's share price on Wall Street.

The share price fell by \$2 1/2 to \$62 yesterday morning after the bank said its fourth-quarter trading result was \$200m, sharply lower than the \$313m recorded in the third quarter of 1992 and below the \$245m achieved in the last quarter of 1991.

The losses in mortgage-backed securities trading also affected trading revenues for the whole of 1992, which were \$959m, down from \$1.29bn the year before.

Overall net profits for the fourth quarter of 1992 rose by 11 per cent year-on-year to \$298m, well below market expectations. This translates into earnings per share of \$1.48 in the quarter, 13 cents higher year-on-year.

Sir Dennis Weatherstone, chairman, said the bank's performance was especially helped by corporate finance and securities underwriting. JP Morgan is one of the few US banks allowed by authorities to enter the equities market. He said there was also profit growth in credit-related, investment management and operational service divisions.

Earnings per share for 1992 were \$6.92, compared with \$5.80 in 1991. Bad debt provisions for 1992 were just \$55m, up from \$40m the year before but extremely low for a big US bank.

Return on equity was high at 22 per cent for the year and 18 per cent for the quarter. JP Morgan also added \$1bn during the year to its net equity base, which totalled \$7.1bn at year-end.

Net interest revenues for 1992 were 15 per cent improved at \$224m while corporate finance revenues rose by 32 per cent last year to \$439m.

Credit-related fees were 34 per cent higher at \$214m while operational service fees were 17 per cent larger at \$405m and investment management fees were \$377m, up by 17 per cent. Net investment securities gains were \$388m in 1992, compared with a net loss of \$3m in 1991. More US bank results, Page 15

## Tracy Corrigan on moves behind the intensifying battle for derivatives business Exchanges fight for the future across Europe

MR George Soros was not the only beneficiary of the unrest in Europe's financial markets.

He is reputed to have made \$1bn, but Europe's futures exchanges also benefited as volumes leapt by around 50 per cent last year. Traders faced with volatile market conditions channelled business away from cash markets, where prices were no longer being quoted, to more liquid futures markets.

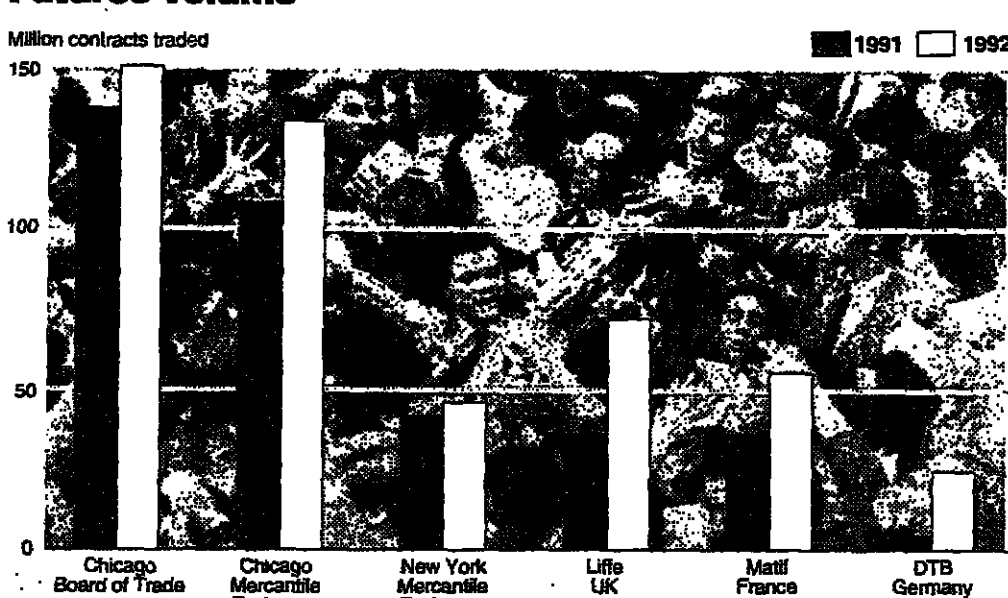
The surge of volume has exaggerated a steady shift of futures market share from the mature US market to Europe. The battle to win this business has created greater competition between Europe's futures and commodity exchanges, which now number more than 20.

The latest stage in the evolution of Europe's futures markets came on Wednesday, when France's Matif and Germany's Deutsche Terminbörse announced a co-operation pact which could threaten the dominance of Europe's largest exchange, the London International Financial Futures and Options Exchange (Liffe).

Although Liffe is in discussions over a link with the Chicago Board of Trade, it is not in a position to join with other European exchanges, because most of them are natural competitors. Yet links between other European exchanges are becoming increasingly common. Last year, four smaller European exchanges agreed to trade each other's products in order to extend their reach.

Liffe already offers a broad range of international financial futures and options contracts, while other exchanges have con-

## Futures volume



Source: Futures Industry Association, exchanges

centrated mainly on domestic markets, often imitating existing products on Liffe. The wide selection of similarly structured contracts on Liffe is considered a source of strength: during the turmoil in the autumn, for example, there was substantial arbitrage trading between different Liffe products.

Liffe's largest contracts are traded using the traditional open-outcry system, while the link between the DTB and the Matif will be provided by the DTB's screen-based trading system.

Many participants believe that, because of the current limitations of technology, the DTB system will not be able to offer the same level of liquidity as that available on Liffe.

Certainly, none of the world's largest futures contracts are screen-based. "I do not think anyone has found a computerised system which is user-friendly or simple enough to take the place of open outcry trading," said Mr Mark Harding, who heads the financial markets group at Clifford Chance, the law firm.

"The technology just is not up there yet," said Mr Alex Cooper, head of futures at Credit Lyonnais Rouse. "It will probably be another two generations [of systems] but we are moving towards synthesized voice output and touch screen trading."

However, the trend towards screen-based trading is already gathering steam. For example, Amsterdam's European Options Exchange decided in December that it will switch from pit-trading to a combined system of pit and computerised trading.

In particular, there is a trend for smaller contracts to be shifted

to screen-based systems. "Pits are not expensive when there is heavy volume, but they can be expensive for smaller products," said Mr Gerard Pfauwadel, who heads the Matif. Significantly, the Matif's Ecu contract, which will move to the DTB system, currently trades around 4,000 contracts a day, compared with a daily volume of around 150,000 in the French government bond contract. The French bond contract will continue to be traded in the pit.

Last June, Globex, the international after-hours screen trading system, was finally launched after five years of development by the CME, CBOT and Reuters, at an estimated cost of \$80m. Although the nightly volume on the system is disappointingly low - around 2,000 contracts - more European exchanges are expected to join the system. So far, only the Matif has signed up, but negotiations with Liffe and the DTB, among others, continue. The Matif's Globex agreement is not affected by the DTB link-up. Officials at Liffe insist they do

not see the DTB/Matif move as a threat. "It will not take volume away from Liffe, since it means that the size of the overall market will increase," according to Mr Roger Barton, head of business development.

However, the competition between Liffe and the DTB over the German government bond contract, already fierce, is set to increase. Later this month, Liffe launches a medium-term government bond future, which will compete with an existing DTB contract. Holding on to its 70 per cent market share in bond futures is very important to Liffe, since this is its largest contract. Liffe estimates that 8 to 12 per cent of bond futures trading is done by French institutions; this is potentially at risk if French house switch their business to the Matif.

However, large international funds, international banks and other financial institutions still tend to channel their business through London, and Liffe has undoubtedly benefited from its position at the heart of Europe's financial markets.

But in each market there are still substantial funds held by domestically-oriented institutions, which are more likely to be invested in a contract traded locally.

"If the potential user base was fully tapped, they would be fighting for the same people, but that is not the case," according to Mr Harding.

As long as London maintains its position as Europe's financial centre, Liffe's position at the heart of the futures market is not likely to be seriously threatened.

It may lose out on a fruitful source of future growth, however, as other exchanges expand their own domestic investor bases and pool these investors through links with each other.

Of these, the link between the Matif and the DTB is so far the most important. It is evidence of the determination with which French and German institutions are advancing their position in Europe's emerging financial structure.

## Tabacalera negotiates sale of Royal Brands to RJR Nabisco

By Tom Burns in Madrid and Guy de Jongh in London

TABACALERA, Spain's state-controlled tobacco company, is negotiating the sale of Royal Brands, its food and agribusiness division, to RJR Nabisco in a move which may foreshadow the US multinational's return to the European food sector.

Tabacalera said Nabisco had made a firm offer of Ptas17bn (\$147m) for 50 per cent of Royal Brands. Tabacalera had suggested it buy the food division outright. Nabisco would not confirm this, though company executives were in Madrid yesterday to examine Royal Brands. Tabacalera said, however, there were other potential buyers for the food division.

One was United Biscuits of Britain, which recently formed a

joint sales company with Royal Brands in Spain and delivered a letter of intent three months ago expressing interest in the company.

UB said it had learned of Nabisco's approach on Tuesday and would be interested in buying Royal Brands' biscuit interests, which include Spain's leading biscuit brands.

Royal Brands reported profits of Ptas2.7bn last year on sales of Ptas27bn. Nabisco's interest in re-entering European food manufacturing surprised industry observers. The company sold its extensive operations in the late 1980s to pay off debts used to finance a leveraged buy-out by Kohlberg Kravis Roberts, the Wall Street investment firm. Tabacalera spent Ptas3bn on some Nabisco units which now form the core of

Royal Brands. Some analysts and food industry executives said buying Royal Brands would only make commercial sense if Nabisco planned to assemble a Europe-wide food business through further acquisitions.

Analysts said one motive for Tabacalera's decision to sell could be to build a war chest to finance a bid for Ebro, the domestic sugar and rice producer which is being sold by Grupo Torras, the investment arm of the Kuwait Investment Office, although Tabacalera's said it had "no intention at present" of bidding for Ebro. Another explanation could be that Tabacalera wanted to improve its already-sound balance sheet with a view to its partial privatisation later this year. Lex, Page 12

## Lonrho rights issue set to fail

By Roland Rudd in London

Lonrho's rights issue, which closes today, is expected to fail after many of its institutional shareholders yesterday said they would not be taking up their rights.

The share issue was designed to flop to enable Mr Dieter Bock, a German financier who is underwriting half the new shares, to become the group's biggest shareholder.

Lonrho's shares yesterday fell 1p to 71p compared with the rights issue price of 85p.

Some of the group's big shareholders believe Mr Bock will shortly join the board as joint chief executive with Mr Tiny Rowland.

One institutional shareholder said: "We have been told by Lonrho that Mr Rowland may

retire quite soon in favour of Mr Bock."

Several others said they had received a clear message from Lonrho that Mr Bock had been chosen as Mr Rowland's successor and that the succession would occur relatively quickly.

Shareholders have been deeply concerned in the past about the unresolved question of who would succeed 75-year-old Mr Rowland.

Charterhouse, Lonrho's financial adviser, said: "Mr Rowland is unlikely to have sold his shares to someone he disagrees with or whom he is unhappy with as a large and influential shareholder."

Mr Bock has said he will consider whether to join the board several weeks after the rights issue closes. If Lonrho's shareholders do not

take up their rights, Mr Bock will end up with 18.8 per cent of the enlarged group.

Mr Bock has already bought almost half of Mr Rowland's stake at 115p a share - a substantial premium to Lonrho's current share price - and has the option to buy the other half after three years. This would take Mr Bock's total stake to 24.8 per cent.

To raise the money to buy his Lonrho stake, Mr Bock has made a number of property disposals. He is also considering offers for 10 to 20 per cent of his shareholding in Advanta, a Dutch-based company with extensive property and construction interests in Germany.

Mr Bock is underwriting the deal through his privately owned company, Laerstate, registered in the Netherlands.

This announcement appears as a matter of record only.

**TEB**  
**TÜRK EKONOMİ BANKASI A.Ş.**  
**U.S. \$40,000,000**  
**Term Loan Facility**

Arranger:  
**Chase Investment Bank Limited**

Lead Managers:  
The Arab Investment Company S.A.A. ("TAIC")  
Banque Française du Commerce Extérieur  
Barclays Bank PLC  
Chase Investment Bank Limited  
Creditanstalt-Bankverein  
National Bank of Kuwait SAK  
Rabobank Nederland  
Standard Chartered Bank  
WestLB Group

Manager:  
The Dai-ichi Kangyo Bank, Limited

Participants:  
Commonwealth Bank of Australia  
Lampekbank International S.A.  
The Sakura Bank, Limited - London Branch  
Banco Español de Crédito S.A., London Branch

Agent:  
**The Chase Manhattan Bank, N.A.**  
September 1992

**CHASE**



## INTERNATIONAL COMPANY NEWS

## Commerzbank operating profit increased by 20%

By David Waller in Frankfurt

STRONG TRADING during the last two months of 1992 helped Commerzbank, the third-largest of Germany's big banks, to increase its total operating profits by 20 per cent last year to approximately DM2.3bn (\$1.38bn).

Partial operating profits - which exclude a contribution from the bank's own-account trading activity - increased by 15 per cent to approximately DM2.07bn from DM1.8bn in 1991, Mr Martin Kohlhausen, the chief executive, revealed. Net interest income climbed by 10 per cent from DM4.2bn in 1991.

The figures, ahead of brokers' expectations, are not normally available until March or April but have been released early to support the bank's long-expected rights issue, announced earlier this week. Commerzbank is raising DM500m via a 14.5-1 rights issue at DM200 a share.

Mr Kohlhausen gave no figures for net profits, calculated

after provisions for bad and doubtful debts. But he said it would be inappropriate to raise the 1992 dividend from the DM10 a share paid in 1991 and that the priority would be to increase provisions.

Provisions on former Soviet debt will be increased from the current level of 60 per cent to the level of other bank's provisions, likely to be about 80 per cent. The bank will be providing against its exposure to the Olympia & York property group - which stands at DM530m - and Hafnia, the troubled Danish insurance company, where the exposure is DM300m.

"The result was so good last year that it allows us to make provisions so that we will no longer be affected by these cases this year," Mr Kohlhausen said.

He said that the bank had only minimal exposure to Klockner-Werke, the steel company which last month filed for protection against creditors - and no exposure to any sizeable corpo-

rate problem cases in Germany.

In spite of the worsening economy, Mr Kohlhausen said he was confident about the current year's trading.

He argued that it was not necessarily the case that the quality of loan business would deteriorate: there was evidence of high-quality companies borrowing from the bank again where in more prosperous times they could finance themselves through cash-flow.

The rights issue was planned for last September but was postponed due to turbulent market conditions. The decision had been taken to raise the cash to remove uncertainty from the share price over the timing of the issue - and because of uncertainties facing the German stock market, Mr Kohlhausen explained.

He thought the positive impact of a cut in interest rates by the Bundesbank could be offset by poor corporate news and the worsening of the economy.

## SBC in SFr122m bid for Hypobank

By Ian Rodger in Zurich

SWISS BANK Corporation (SBC) is making an agreed share exchange bid for Hypothekar-und Handelsbank Winterthur (Hypobank), a quoted regional bank based in Winterthur, worth about SFr122m (\$85.3m).

The bid, the latest in a series of takeovers in the overcrowded Swiss banking sector, reflects the growing pressure on small banks dependent on depressed domestic commercial and property business.

Last week, in the biggest acquisition to date, CS Holding, the parent company of Credit Suisse, launched an agreed share exchange worth SFr1.5bn for Swiss Volksbank, Switzerland's fourth-largest bank.

SBC, the second-largest bank, said then it did not seek to expand its domestic retail presence massively and so had not made a bid for Volksbank. But it would consider opportunities in regions where it was weak. This, it said yesterday, was the case in north-east Switzerland, where Hypobank was active.

Hypobank, in which Winterthur Insurance has a 77 per cent stake, has assets of SFr1.53bn and, at end-1991, reported net equity of SFr107m. Profits plunged in 1991 to SFr100,000 from SFr6m, and SBC said yesterday it made a small profit last year.

Final terms of the offer to all shareholders are to be set by accountants Coopers & Lybrand, but SBC expects it to be at the rate of three of its bearer shares for each of the 125,000 Hypobank bearer shares. SBC bearer shares closed yesterday up SFr1 to SFr326.

## Postipankki in red

POSTIPANKKI, the Finnish state-owned bank, said the 1992 net loss deepened to about Fm600m (\$110m), compared with a loss of Fm135m in 1991. Reuter reports from Helsinki.

## Rhône-Poulenc cuts profit forecast

By William Dawkins in Paris and Paul Abrahams in London

RHÔNE-POULENC, the French state-owned chemicals group scheduled for partial privatisation by the end of the month, yesterday estimated that operating profits rose between 5 per cent and 10 per cent last year and that net earnings would also rise.

The announcement, the third time Rhône-Poulenc has downgraded its 1992 operating profits forecast, comes a fortnight before the February 1 deadline which the government has set itself to sell to the public at least 6m Rhône-Poulenc shares, 10.6 per cent of the total.

Company forecasts for growth in operating profits this year have already been halved

from 20 per cent to 10 per cent. By mid-morning, Rhône-Poulenc investment certificates - or non-voting shares - had fallen to FF515 and ended the day down FF15 at FF511.

Analysts in London were divided about the implications of the announcement. Some believed it had effectively released all available information in preparation for the share sale. However, Mr Michael Woodcock, French analyst at Nikko Europe, said it was possible market conditions were such that the government could postpone the issue.

The lowest price is set by a Comité d'Evaluation des Entreprises Publiques, a body which ensures the government receives a fair price for its shares. The lowest price is

unknown, but some analysts believe it could be about FF500.

Mr Jean-Pierre Thiroulet, finance director, said the end of the year had been difficult for chemicals because of the fall of the dollar and delays in purchases of agrochemicals by farmers, fearful of the consequences of European Community agriculture policy reform.

Elif Aquitaine, the French state-owned oil group, recently revealed that its fertiliser sales had suffered from the same effect.

Rhône-Poulenc's net profits should rise in 1992, thanks to more asset sales than expected and a fall in debt servicing costs, Mr Thiroulet told Le Figaro newspaper. The group sold FF44bn (\$740m) of assets last

year, FF1bn more than its initial forecast, on which it made a FF1bn capital gain. He estimated debts fell to less than 80 per cent of shareholders' funds by the end of 1992 and said Rhône-Poulenc was holding to its objective of cutting gearing to 50 per cent by 1994.

Net distributable profits fell by 21.4 per cent to FF1.1bn in the first nine months of 1992, or declined by 2.6 per cent before payments to preferred shareholders. Net profits in 1991 rose by 3 per cent to just over FF2bn.

Mr Thiroulet expected group operating profits to rise again this year, despite the fact that Rhône-Poulenc is expecting economic conditions to get worse. Lex, Page 12

## Pirelli sells Milanese property interest

By Haig Simonian in Milan

PIRELLI, the loss-making Italian tyre and cables group, has taken a further step in its financial recovery with the sale of a large part of its property interests.

The company has raised over L190bn (\$138m) by disposing of much of the land in its Tecno-city property development project. The sale should realise an extraordinary gain of around L80bn in the 1992 accounts.

Tecnocity, also known as Bioceta, involves demolishing land adjacent to one of Pirelli's manufacturing and office complexes on the outskirts of Milan. The plant, still occupied in making cables, used to be one of Pirelli's biggest manufacturing sites before production was shifted to more modern facilities.

Pirelli said the extraordinary gain would in part be set off against unspecified extraordinary losses or other negative

items in its 1992 accounts. The group has been involved in a significant restructuring programme, with substantial job losses and some plant closures.

The Tecnocity site, which won outline planning approval late last year after lengthy bureaucratic delays, has been split into 11 separate lots. Each will be developed by a separate company. Milano Centrale immobiliare, a property development group associated with Pirelli, will have an average 28

per cent stake in each. Milano Centrale immobiliare, which recently established a closer relationship with Knight Frank & Rutley, the UK property consulting group, is owned by Pirelli & C, the ultimate holding company for Pirelli.

No financial projections have been revealed for the Tecnocity scheme. However, the project is one of the biggest new office development schemes in Milan at present.

## Norway insurer gains business

By Karen Fosell in Oslo

VITAL FORSKRING, one of Norway's top three insurers, has won domestic corporate pension scheme business in 1992 worth additional funds of a net Nkr1.16bn (\$166m) and annual premium income of Nkr100m.

Gross new business last year reached an estimated Nkr1.3bn, providing annual premium income of Nkr115m.

Analysts said that following last year's collapse of UNI Storebrand into the hands of government-appointed administrators, a number of domestic insurers had acquired some of UNI's business.

Vital said it suffered a net outflow of reserves and funds totalling Nkr70m, representing a Nkr6m reduction in annual premiums.

Vital Pekon, a subsidiary which administers pension

schemes, had agreements with 25 funds, 13 secured last year, with Nkr6bn of premiums and reserves under management and annual premiums of Nkr600m.

UNI Storebrand lost an estimated Nkr25m in annual premium payments in 1992 on pension schemes covering Nkr2.8bn, while Gjensidige, also among the top five insurers, lifted annual premium income last year by Nkr100m.

## La Caixa posts 6.4% advance

By Tom Burns in Madrid

LA CAIXA, the Barcelona-based financial institution that ranks second after Italy's Cariplo among European savings banks, raised pre-tax profits last year by 6.4 per cent over 1991 to Pta42.2bn (\$366m).

This comes after putting

aside Pta34bn for bad debts, a 107 per cent increase on the 1991 provision for non-performing loans.

One of the most aggressive of the domestic savings banks, as well as the biggest, La Caixa has diversified in recent years to offer a full range of financial services, including commercial banking.

Last year, it signed an ambitious joint venture agreement with the Dutch-Belgian group Fortis aimed at securing a leading position in the Spanish insurance market.

Mr Josep Villarasau, La Caixa chairman, said yesterday funds managed by the savings bank had increased by 11.3 per cent last year.

## Perstorp

## Notice of Annual General Meeting

The Shareholders of Perstorp AB are hereby invited to attend the Annual General Meeting to be held on Saturday, 30th January, 1993 at 10 a.m. (Swedish time) at Persgård, Perstorp AB's employee centre in Perstorp, Sweden.

## Agenda

1. Election of Chairman to preside at the Meeting.
2. Preparation and approval of a voting list.
3. Election of two persons to approve the minutes.
4. Examination of whether the Meeting has been properly convened.
5. Presentation of the Annual Report, the Auditors' Report on the Parent Company, the Consolidated Accounts and the Auditors' Report on the Group.
6. Consideration of resolutions in respect of the following:
  - (a) the adoption of the Parent Company Income Statement, the Parent Company Balance Sheet, the Consolidated Income Statement and the Consolidated Balance Sheet;
  - (b) the appropriation of the Company's profit according to the adopted Balance Sheet; and
  - (c) the Directors' and the Managing Director's discharge from liability.
7. Determination of the number of Directors and deputy members of the Board and Auditors.
8. Determination of the fees for the Board of Directors and the Auditors.
9. Election of the Board of Directors and the Auditors.
10. The Board of Directors' proposed amendments to the Articles of Association concerning:
  - (a) a modification of the pre-emption clause regarding the A-shares;
  - (b) an obligation for a shareholder upon reaching ownership levels of 33 1/3 or 50 per cent of the total number of votes in the Company to redeem at the request of any other shareholder their shares in the Company; and
  - (c) some minor amendments of a technical nature.
11. Closing.

In order to take part in the Annual General Meeting, Shareholders must be registered in the Shareholders' Register maintained by the Swedish Securities Register Centre (Värdepapperscentralen VPC AB) not later than Wednesday, 20th January, 1993. Shareholders who have placed their shares in trust must temporarily re-register the shares in their own names to allow them to participate in the Meeting. Such re-registration must be made not later than Wednesday, 20th January, 1993.

A Shareholder may attend and vote at the Meeting in person or by proxy. However, in accordance with Swedish practice the Company does not send forms of proxy to its Shareholders. Shareholders wishing to vote by proxy should submit their own forms of proxy to the Company.

Notification of intended participation at the Annual General Meeting must be given to Perstorp AB not later than Tuesday, 26th January, 1993 at 3 p.m. (Swedish time);

by telephone, by calling (010) 46 435-38286 (direct line); or

by mail, addressed to Perstorp AB, S-284 80 Perstorp, Sweden.

The Company will confirm receipt of notice of participation by sending an admission card to be shown at the Meeting. This confirmation will also include a detailed description of the most suitable route to Persgård.

The Board of Directors has decided to propose that the Record Date for dividends be Wednesday, 3rd February, 1993. Should this be approved, it is anticipated that the dividend will be distributed by the Swedish Securities Register Centre on Wednesday, 10th February, 1993.

The complete proposal of the Board of Directors regarding the amendments to the Articles of Association will be made available for inspection by the Shareholders at the head office of Perstorp AB in Perstorp and at the offices of Enskilda Securities, Skandinaviska Enskilda Limited at 26 Finsbury Square, London EC2A 4DS from Friday, 22nd January, 1993.

Perstorp, January 1993

The Board of Perstorp AB

**FOREXIA**  
F A X  
S D m E Y

A seven year record of successful forex forecasting daily. Commentaries, forecasts, recommendations & charts from London and New York.

FREE TRIAL  
TEL: 44 81 9493316 FAX: 44 81 9493459

**CAMBRIDGE COMMENTARY**  
THE stockmarket strategy newsletter since 1946  
Charts, Comment, Recommendations

For details of free trial telephone or fax  
INVESTMENT RESEARCH OF CAMBRIDGE LTD  
Tel: 0223 33221 Fax: 0223 32986

**Banco de la Provincia de Buenos Aires**  
Grand Cayman Branch

US\$46,700,000  
Par floating rate notes due 2009

US\$42,150,000  
Discount floating rate notes due 2003

For the period 15 January 1993 to 15 July 1993 the notes will bear interest as follows:  
Par Notes 2.637% per annum.  
Interest payable on 15 July 1993 will amount to:  
US\$466.29 per US\$5,000 note  
US\$132.58 per US\$10,000 note  
US\$1,325.83 per US\$100,000 note

Discount Notes 4.395% per annum. Interest payable on 15 July 1993 will amount to:  
US\$110.49 per US\$5,000 note  
US\$220.97 per US\$10,000 note  
US\$2,209.71 per US\$100,000 note

Agent: Morgan Guaranty Trust Company  
**JPMorgan**

Notice of Redemption

**Mortgage Funding Corporation No. 4 PLC**  
(Incorporated in England and Wales with limited liability under registered number 2133465)

**£100,000,000 Class A1 Mortgage Backed Floating Rate Notes Due 2035**

NOTICE IS HEREBY GIVEN to the holders of the Class A1 Notes, that the Issuer has determined in accordance with the Redemption provisions set out in the Terms and Conditions, the Class A1 Notes in the amount of £10,000,000 will be redeemed on the next Interest Payment Date, 29th January, 1993 (the "Redemption Date"). The Class A1 Notes will be redeemed on a pro rata basis and the Principal Payment per Class A1 Note will be £10,000. The Principal Payment on each Class A1 Note will be made in accordance with the operating procedures of Euroclear and Cede.

Bankers/Trust Company, London Agent Bank  
15th January, 1993

**NOTICE**  
to the holders of the outstanding

**ECU 75,000,000 8 per cent guaranteed notes due 1993**  
**PIRELLI FINANCIAL SERVICES COMPANY N. V.**

Notice is hereby given to the holders of the above Notes that, at the adjourned Meeting of such holders convened by the Notice of Meeting published in the Financial Times and the Luxembourg Wort on 18th December, 1992, and held at 12:30 p.m. (London time) on 30th December, 1992, the Extraordinary Resolution set out in such Notice was duly passed. Accordingly, the modifications to the Terms and Conditions of such Notes and the Trust Deed constituting them referred to in such Notice have been made with effect from 30th December, 1992, by means of a Supplemental Trust Deed of the same date.

15th January, 1993

**PIRELLI FINANCIAL SERVICES COMPANY N. V.**

**Republic of Iceland**  
**U.S. \$125,000,000**

**Floating Rate Notes due 2000**

Holders of Floating Rate Notes of the above issue are hereby notified that for the Interest Period from 19th January, 1993 to 19th July, 1993 the following information will apply:

1. Rate of Interest: 5/4% per annum
2. Interest Amount payable on Interest Payment Date:  
US \$283.96  
Per US \$10,000 Nominal or  
US \$6,588.96  
Per US \$250,000 Nominal
3. Interest Payment Date: 19th July, 1993

Agent Bank  
**Bank of America International Limited**

**NOTICE TO FAR-EAST EQUITY FUND UNITHOLDERS**

The Board of Directors held at Luxembourg as at October 16th, 1992, upon approval of the Authority of the "Société de la Bourse de Luxembourg S.A.", on the one hand, and the Depositary Bank, on the other hand, approved that the units of FAR-EAST EQUITY FUND will not be listed on the Luxembourg Stock Exchange from March 1st, 1993.

After this date, the FAR-EAST EQUITY FUND unitholders may enquire at the head office of the Management Company, respectively of the Depositary Bank.

Luxembourg, December 28th, 1992.

Exact certified true:  
Far-East Equity Fund Management Company S.A.,  
C. Cadé-Director, A. Hordéquin-Director,  
United Overseas Bank (Luxembourg) S.A. Depositary Bank

مكتبة العمل







## INTERNATIONAL COMPANIES AND FINANCE

## Nissan and Mazda in supply deal

By Charles Leadbeater  
in Tokyo

NISSAN and Mazda, two of Japan's leading carmakers, have agreed to provide each other with small vans and light trucks in a significant step towards the consolidation of the hard-pressed Japanese motor industry.

Under the deal, Nissan is likely to suspend production of some of its light commercial vehicles and instead sell trucks supplied by Mazda. Mazda will streamline its range of vans by being supplied by Nissan.

Mr Yoshifumi Tsuji, Nissan president, said the alliance was designed to improve profitability by reducing development costs.

The partnership is the latest sign of the pressure Japan's vehicle makers are under to cut costs in response to sharp falls in profits over the past two years.

It follows a similar deal announced last month between

Izusu and Honda. Izusu will supply Honda with its Rodeo recreational vehicle, plugging an important gap in Honda's product range. Honda will supply Izusu with small passenger cars. Izusu is pulling out of passenger car production.

The pressure for consolidation among the weaker producers in the Japanese car industry, which is struggling beneath a burden of excess production capacity, marks a sharp change of fortune.

Until about 18 months ago, the Japanese producers were confidently expanding across the world and widening their product ranges. In the past year, cuts in capital investment have become widespread, companies are lengthening the gap between model changes and pulling in their horns internationally.

Analysts believe the current downturn may usher in an era of slow growth in car demand which will make it increasingly difficult for Japan to sup-



Yoshifumi Tsuji: expects alliance to cut costs

port nine fiercely competitive car producers.

The Japanese industry is separating into two groups. Companies such as Toyota, the leading producer, Mitsubishi and Suzuki are weathering the downturn in relatively sound financial health.

However producers such as Nissan, Mazda and Honda have been badly hit by declining sales just as they are shouldering the financial burden of heavy investments they made in the late 1980s.

Mr Koji Endo, analyst at S.G. Warburg securities said: "No Japanese maker other than Toyota has the resources to sustain a comprehensive product range. This deal is the first step towards a wider partnership and other companies will have to follow, targeting their resources at specific segments of the market."

Nissan reported a loss in the six months to the end of last September of ¥14.24bn (¥113m) largely because it has been losing market share in Japan's declining market. Nissan's sales in Japan last year fell by 20 per cent to 566,778 units and its market share fell by 1.2 per cent to 22 per cent.

Mazda reported a 78 per cent fall in pre-tax profits for the first half of the year to ¥3bn.

## Investment cut planned by Japan Airlines

By Bethan Hutton in Tokyo

JAPAN Airlines yesterday announced drastic restructuring plans aimed at reversing pre-tax losses estimated at ¥50bn (\$388m) for the year to March 1993.

Over the next two years the airline plans to cut investment by ¥100bn a year, and costs by ¥100bn next year. Total investment for 1993-1997 is now projected at ¥1,000bn rather than the original ¥1,500bn. JAL says this will enable it to break even in the next financial year, return to profitability in 1994, and restore dividends in 1995. The airline made pre-tax losses of ¥6.4bn last year.

Restructuring plans were first announced in June, but deepening losses have made further action necessary. JAL blames its difficulties on falling international passenger demand, particularly from business travellers, and increased competition.

The main target of capital spending cuts will be the introduction of new aircraft. The scheduled acquisition of 25 Boeing 747-400s will be delayed, but five smaller-capacity Boeing 767s will be added to 35 other aircraft already on firm order. Cuts in ground investment include three large airport-based projects, and leasing rather than buying information systems.

JAL aims to decrease its reliance on international traffic revenues from 70 per cent to 60 per cent over the next four years by increasing its share of the domestic flight market to at least one-third.

Withdrawal from some unprofitable international routes and increased capacity to more popular destinations, such as Shanghai, Hawaii and Rome are also planned.

The airline said personnel would be further reduced, after about 400 jobs cuts last year, but gave no indication of the scale of possible cuts. The hiring of ground staff, which was halved in this financial year, will be frozen in 1994.

## Bangkok Bank beats forecast with Bt10.5bn

BANGKOK Bank, Thailand's largest bank, posted better-than-expected net profits of Bt10.5bn (\$411m), or Bt10.54 a share, for 1992, against Bt7.3bn, or Bt8.23, a year ago, Reuters reports from Bangkok.

The bank said the earnings growth could be attributed to a 14.9 per cent rise in lending during the year, despite sluggish investment by the Thai private sector.

Mr Mike Stead, an analyst at Union Securities, a local brokerage, said Bangkok Bank had been expected to net Bt9.8bn profits, or Bt9.90 a share, in 1992.

Mr Damrong Krisnamara, deputy chairman, said the bank was raising its 1993 provision for loan loss reserves to Bt15bn from Bt12bn a year earlier. The bank would continue to focus on improving the quality of its loans in 1993 with its market share receiving a lower priority.

Mr Chattri Sophonpanich, executive chairman, said the bank was seeking to expand its foreign business especially in Indochina and China, to boost its position as a big regional bank.

## Westpac shares fall after Packer resigns from board

By Kevin Brown in Sydney

WESTPAC, the troubled Australian bank, was plunged into renewed uncertainty yesterday after Mr Kerry Packer and an associate resigned from the board following a dispute about the bank's restructuring programme.

Westpac shares fell 13 cents to A\$2.91 after the resignations, underlining market concern about the departure of Mr Packer, proprietor of the Consolidated Press Holdings media group, and Mr Al Dunlap, ConsPress managing director.

Analysts said the shares were likely to come under further pressure unless the resignations were properly explained. However, ConsPress said neither Mr Packer nor Mr Dunlap would comment.

Westpac said the resignations followed a "disagreement" about management of the restructuring programme, announced late last year after the bank announced a record net loss of A\$1.5bn (US\$1bn) for the year to the end of September.

The dispute is believed to have centred on the pace of restructuring and the choice of a managing director to replace Mr Frank Conroy, who resigned in December following pressure from Mr Packer and other major shareholders.

Mr Packer is believed to have sought the appointment of Mr Dunlap, an American corporate restructuring specialist who has carried out a



Kerry Packer: formally joined Westpac board last week

successful shake-up at ConsPress over the past year.

Westpac said a replacement for Mr Conroy would be announced before the bank's annual meeting next week, when the board is expected to be the target of strong criticism from shareholders.

Mr John Uhrig, chairman, said the board had agreed to accelerate the restructuring programme by cutting between 10 per cent and 20 per cent of staff over the next three years. The bank also plans to cut costs and improve revenue by A\$300m a year, reduce the ratio of expenses to revenue from 70 per cent to 58 per cent, and cut corporate lending risks by A\$100m by 1995.

Mr Packer is believed to have sought a much faster redundancy programme and a

major reduction in corporate lending, which would have reduced Westpac's assets from A\$110bn to well below A\$100bn.

Mr Packer and Mr Dunlap formally joined the Westpac board last week after ConsPress acquired nearly 10 per cent of Westpac's shares, close to the ceiling allowed under federal banking law.

ConsPress could lift its holding to a maximum of 15 per cent, but only with the consent of Mr John Dawkins, the federal treasurer and the Westpac board.

Westpac has been in difficulties since the failure in October of a A\$1.72bn rights issue which closed 72 per cent under-subscribed, leaving many subscribers holding unwanted shares.

Five directors resigned after the rights issue debacle, including the then chairman. The bank's shares, which traded at about A\$4.50 at the beginning of 1991, fell to a low of about A\$2.65 in November after the announcement of the record loss.

Documents filed with the Australian Securities Commission, the corporate watchdog, showed that ConsPress increased net profits to A\$467m in the year to June 30, compared with A\$17.6m in the previous year.

The documents showed that the shake-up undertaken by Mr Dunlap included the sale of more than 90 companies, leaving the company debt-free.

## Campbell Soup increases bid for Arnotts

By Kevin Brown

CAMPBELL Soup, the US food group, yesterday increased its takeover offer for Arnotts, the Australian biscuit maker, from A\$8.80 to A\$9.50 a share, valuing the group at just under A\$1.3bn (US\$874m).

The increased offer followed a ruling by the New South Wales Supreme Court that a 1985 agreement between the companies means that Campbell cannot vote more than 14.9 per cent of its shareholding unless it acquires at least 85.1 per cent of Arnotts' stock.

Arnotts had appealed against

an earlier ruling by a lower court that the agreement would become invalid if Campbell acquired more than 40 per cent of Arnotts' shares. Campbell is thought unlikely to consider a further appeal to the federal High Court.

Campbell, which owns 32.9 per cent of Arnotts, had hoped to acquire a further 17.2 per cent of the stock for A\$206m, giving it a majority shareholding of 50.1 per cent.

Mr David Johnson, Campbell's chief executive, said the revised offer was "final" and would not be improved. However, analysts said the

offer might be insufficient to acquire a large enough holding to exercise control. Arnotts' shares closed 30 cents higher at a record A\$9.50 on the Australian Stock Exchange, matching the revised offer.

The revised bid represents a multiple of 27 times 1991-92 net profits, 13.1 times earnings before interest and tax, and twice Arnotts' sales in the last full year.

Campbell said the offer took into account a forecast increase in Arnotts' earnings in the first half of 1993-93.

Campbell's earlier offer was rejected by most Australian

financial institutions. Advisers to Arnotts have suggested that an offer of A\$12 would be required to win a recommendation from the board.

An independent report commissioned by Arnotts valued the group at a minimum of A\$10.78 a share. Advisers to Campbell have said the valuation is too high.

The shareholding agreement between the companies was drawn up when Campbell took a friendly shareholding in Arnotts to help fight off an unwelcome takeover bid by Mr Alan Bond, the former Australian entrepreneur.

## Akai makes losses as domestic sales sink

By Robert Thomson in Tokyo

AKAI Electric, the Japanese video and audio equipment maker, yesterday blamed a ¥347m (\$1.97m) pre-tax loss for the year to the end of November on the collapse of domestic demand for consumer electronics and on currency fluctuations in the European market.

The Tokyo-based company, which reported a pre-tax profit of ¥2.4bn in the previous year, said sales fell 13.5 per cent to ¥56.6bn, reflecting the particularly harsh conditions in the domestic market, where video cassette recorder output slid 21.4 per cent in the third quarter last year.

During the same quarter, tape recorder output by the Japanese industry fell 24 per cent and that of stereo compo-

nents was down 5.3 per cent. A record fall in Tokyo department store sales in December suggests that trading conditions for consumer electronics makers will get worse before they get better.

However, Akai is aiming for a 6 per cent increase in sales this year to ¥60bn and a pre-tax profit of ¥200m with increased VCR demand in Europe expected to compensate for a sales decline in Japan. Increased demand is not expected until the second half, and the company is forecasting a first-half loss of ¥800m.

Akai said capital spending would be reduced from ¥2.6bn last year to about ¥2bn, and the company has announced that it will be more flexible in choosing components suppliers in an attempt to cut costs.

## Dutch investment group takes over Bank of Athens

By Kerin Hope in Athens

HANWHA First Investment, the Dutch-based investment subsidiary of Korea's Hanwha group, is to take control of Bank of Athens, a small state-owned bank offered for sale under the Greek government's privatisation programme.

Hanwha, bidding in partnership with Rabo Bank of the Netherlands, offered Dr6.8bn (\$44m) for 66.7 per cent of the bank's common shares in the first privatisation carried out through a public tender offer on the Athens stock exchange. Hanwha's bid of Dr6.180 per share for 1,106,020 shares of

common stock was ahead of Dr6.150 offered by Eteva, a Greek investment bank which made the only other bid.

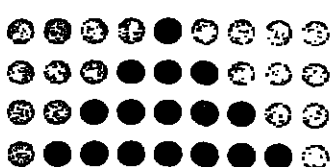
Minority shareholders were given an opportunity to accept the offer before the state-owned National Bank of Greece, which controls 75 per cent of Bank of Athens equity, released its shares for sale.

Hanwha, a Korean conglomerate with interests in financial services, chemicals and oil products, is the first Asian investor in Greek banking. Bank of Athens had profits of Dr2.06bn for 1991. First-half profits last year declined by 9 per cent to Dr1.01bn.

ANNOUNCEMENT  
REPUBLIC OF TURKEY  
PRIME MINISTRY  
PUBLIC PARTICIPATION ADMINISTRATION

94.048 % of the shares of GIMA Gıda ve İhtiyat Maddeleri T.A.S. (Supermarket/Department Store Chain) have been offered for block sale by the Republic of Turkey Public Participation Administration (PPA). The tender deadline which was previously declared as January 18, 1993 and published in Financial Times Newspaper on November 20, 1992 is extended to January 29, 1993, in accordance with the provisions of the fourth articles of the sale announcement.

Information memorandum and specifications relating to the sale of the company shares can be obtained from the address of the Administration stated below. To the attention of interested parties.



K O İ  
REPUBLIC OF TURKEY  
PRIME MINISTRY  
PUBLIC PARTICIPATION  
ADMINISTRATION

Atatürk Bulvarı No: 163 Bakanlıklar-ANKARA/TURKEY Tel: (4) 425 06 16 - 425 06 17 Fax: (4) 425 06 74

NEW WITS  
LIMITED

(Incorporated in the Republic of South Africa)  
(Registration No. 05/04822/06)

## INTERIM REPORT

	Six months ended 31 December 1992	Six months ended 31 December 1991	Year ended 30 June 1992
	R000	R000	R000
Revenue	7 691	9 747	18 648
Income from investments	-	-	1 705
Surplus on realisation of investments	4	8	73
Interest and sundry revenue	7 685	10 988	20 426
Expenditure and amounts written off	1 261	1 280	2 771
Administration and general	763	741	1 546
Amounts written off investments	498	539	1 21
Interest	-	-	1 104
Profit before tax	6 434	9 718	17 655
Tax	10	-	-
Profit after tax	6 424	9 718	17 655
Earnings per share - cents	21	32	58
Dividends - per share - cents	17	17	52
- absorbing - R000	5 206	5 206	15 930
- times covered	1.2	1.9	1.1

## CONSOLIDATED BALANCE SHEET

	At 31 December 1992	At 31 December 1991	At 30 June 1992
	R000	R000	R000
Investments	180 930	181 418	180 909
Properties and ventures	135	135	135
Net current liabilities	12 064	10 302	13 259
Current assets	3 150	3 548	3 548
Less current liabilities	15 214	13 950	16 904
	169 001	171 251	167 785
Share capital	88 425	88 425	88 425
Reserves	80 576	82 826	79 360
	169 001	171 251	167 785
Investments			
- Market value	311 129	408 025	408 735
- Excess over book value	101 525	225 933	229 132
- Book value	179 604	180 092	179 583
Unlisted - Book value	1 326	1 326	1 326

Shares in issue unchanged at 30 635 201  
Net assets (as valued)  
per share - cents

1 064 1 390 1 395

## NOTES

Dividend  
The final dividend No. 83 of 35 cents per share, in respect of the year ended 30 June 1992, absorbing R10,722,000, was declared on 5 August 1992 and paid on 23 September 1992.

Prospects  
Subsequent to 31 December 1992, the Group has sold 369,000 Drifortwin Consolidated Limited shares at a profit of R8.9 million. The proceeds will be utilised to enable the Group to follow its rights in Northern Platinum Limited. During the remainder of the current financial year, the Group intends to realise further investments in order to liquidate the outstanding overdraft of R9.3 million. Profits continue to be dependent on the rand price received by the gold mines in which major investments are held.

## DECLARATION OF INTERIM DIVIDEND

Dividend No. 84 of 17 cents per share has been declared in South African currency, payable to members registered at the close of business on 29 January 1993.  
Warrants payable on 24 February 1993 will be posted on 23 February 1993. Standard conditions relating to the payment of dividends are obtainable from the share transfer offices and the London Office of the company.  
Requests for payment of the dividend in South African currency by members on the United Kingdom register must be received by the company on or before 29 January 1993 in accordance with the above-mentioned conditions.  
The register of members will be closed from 30 January to 5 February 1993, inclusive.

On behalf of the Board  
A.J. Wright (Chairman) } Directors  
B.A. Day

Registered and Head Office:  
Gold Fields Building  
75 Fox Street  
Johannesburg 2001

London Office:  
Greenoak House  
Francis Street  
London, SW1P 1DH

United Kingdom Registrar:  
Barclays Registrars  
Bourne House  
34 Beckenham Road  
Beckenham, Kent, SE18 4TU

14 January 1993

A Member of the Gold Fields Group

GOLD FIELDS PROPERTY  
COMPANY LIMITED

(Incorporated in the Republic of South Africa)  
(Registration No. 01/01078/06)

## PRELIMINARY ANNOUNCEMENT OF RESULTS

	Year ended 31 December 1992	Year ended 31 December 1991
	R000	R000
Revenue	8 031	7 902
Income from rent and sale of property	1 353	8 871
Surplus on realisation of investments and fixed assets	1 210	3 401
Interest earned, gold royalties and income from other sources	1 308	2 092
Income from investments	11 902	22 266
Expenditure and amounts written off	3 219	3 340
Administration and general	2 398	2 659
Interest	631	11
Amounts written off	190	670
Profit before tax	8 683	18 926
Tax	3 454	3 520
Profit after tax	5 229	15 406
Extraordinary item	-	5 850
Unappropriated profit, brought forward	5 229	21 258
	70	42
Less	5 299	21 298
	5 212	21 228
Dividends declared	5 112	21 778
Interim 18c (18c)	1 840	1 840
Special - (163c)	3 272	18 696
Final 32c (32c)	100	3 272
Transfer to/from reserves	-	(550)
Unappropriated profit, carried forward	87	70
Earnings per share - cents	51	151
Dividends per share - cents	50	213
Times dividends covered	1.0	0.7
Net assets (as valued) per share - cents	1 101	1 164

## DECLARATION OF DIVIDEND

Dividend No. 140 of 32 cents per share, in respect of the year ended 31 December 1992, has been declared in South African currency, payable to members registered at the close of business on 29 January 1993.  
Warrants payable on 24 February 1993 will be posted on 23 February 1993. Standard conditions relating to the payment of dividends are obtainable from the share transfer offices and the London Office of the company.  
Requests for payment of the dividend in South African currency by members on the United Kingdom register must be received by the company on or before 29 January 1993 in accordance with the above-mentioned conditions.  
The register of members will be closed from 30 January to 5 February 1993, inclusive.

By order of the Board  
per pro GOLD FIELDS CORPORATE SERVICES LIMITED  
London Secretaries  
S.J. Dunning, Secretary

United Kingdom Registrar:  
Barclays Registrars  
Bourne House  
34 Beckenham Road  
Beckenham, Kent, SE18 4TU

14 January 1993

A MEMBER OF THE GOLD FIELDS GROUP

مكتبة من الأصول



Once again, in 1992 the CS First Boston Group successfully completed more merger and acquisition transactions than any other investment bank.\*

**The Power of Ideas: M&A 1992.**

Specifically, 134 merger and acquisition clients in 24 countries chose the CS First Boston Group to advise them on over \$61 billion in transactions.

Across the globe, we were the unquestioned leader in mergers, acquisitions, divestitures and privatization assignments in a wide range of industries.

In challenging years like 1992, clients depend on the CS First Boston Group for innovative financial strategies, market insight and experience. That is what turns ideas into results.

\* Number one in dollar volume.  
Number one in transaction volume.  
Source: Securities Data Company.

CS First Boston Group Client	Description of Transaction	Approximate Size of Transaction
<b>Automotive</b>		
Federal-Mogul Corporation	Acquisition of Automotive Aftermarket Business from TRW Inc.	\$213,000,000
Northrop Corporation	Acquisition of Wellman Machinery of Michigan, Inc. from Wellman, Inc.	Not Disclosed
Republic of Poland	Sale of a 90% Interest in Fabryka Samochodow Malolitrazowych S.A. to Fiat S.p.A.	2,200,000,000
United Technologies Corporation	Divestiture of the Automotive Hoses and Fittings Division to an Investor Group	Not Disclosed
Unocal Corporation	Divestiture of National Truckstop Operations to National Auto/Truckstops, Inc.	180,000,000
<b>Chemicals</b>		
Alberta Natural Gas Company Ltd.	Divestiture of Angus Fine Chemicals Ltd. to Hickson International PLC	43,000,000
Ferro Corporation	Divestiture of Metallurgical Products Business to Cookson Group Plc	Not Disclosed
Grupo IRSA, S.A. de C.V.	Advisory on Divestiture of Certain Petrochemical Assets of DESC Sociedad de Fomento Industrial, S.A. de C.V. and Monsanto Company in Mexico	Not Disclosed
M. A. Hanna	Acquisition of Colorant and Additive Concentrates Business from Akzo N.V.	Not Disclosed
<b>Consumer Products &amp; Services</b>		
Ecolab Inc.	Divestiture of ChemLawn Corp. to ServiceMaster Consumer Services L.P.	Not Disclosed
Henkel KGaA	Acquisition of Nobel Consumer Goods from Nobel Industrier AB	Not Disclosed
Horizon Industries, Inc.	Sale of Company to Mohawk Industries, Inc.	86,500,000
S. C. Johnson & Son Inc.	Acquisition of Drackett Co. from Bristol-Myers Squibb Company	1,150,000,000
Pitney Bowes Inc.	Divestiture of Wheeler Group Inc. to Butler Capital	80,000,000
Tatramat s.a.	Joint Venture and Sale of 43% Interest in Washing Machine Business to Whirlpool	Not Disclosed
Trivest, Inc.	Sale of Sun Pharmaceuticals, Ltd. to Thomas H. Lee Company	Not Disclosed
TW Holdings, Inc.	Sale of 47.2% Interest to a Partnership Formed by Kohlberg Kravis Roberts & Co.	300,000,000
<b>Depository Institutions</b>		
ADVANTA Corp.	Advice with Respect to Adoption of Dual-class Stock Plan	Not Disclosed
California Federal Bank FSB, a subsidiary of CalFed Inc.	Divestiture of Trust Services of America, Inc. to Northern Trust Corporation	63,000,000
Comerica Incorporated	Merger for Stock with Manufacturers National Corporation	1,100,000,000
Comerica Incorporated	Acquisition of Hibernia National Bank Texas	63,100,000
First American Bankshares, Inc.	Divestiture of First American Bank of Georgia NA to SouthTrust Corp.	Not Disclosed
First Fidelity Bancorporation	Acquisition of Northeast Bancorp, Inc. (Pending)	29,500,000
Her Majesty the Queen in Right of New Zealand	Sale of 85% of the Bank of New Zealand by Her Majesty the Queen in Right of New Zealand and Fay, Richwhite & Co. Ltd to National Australia Group Ltd, a wholly owned subsidiary of National Australia Bank Limited	667,740,000
Security Pacific Corporation	Stock Swap Merger with BankAmerica Corporation	4,300,000,000
Society Corporation	Acquisition for Stock of Ameritrust Corporation	1,200,000,000
Society Corporation	Acquisition of First Federal Savings & Loan Association of Fort Myers, Florida (Pending)	140,000,000
Swedish Ministry of Finance Representing the Kingdom of Sweden	Restructuring of Nordbanken and Capitalisation of Securum (Pending)	Not Disclosed
United Mexican States	Sale of Banco Mexicano Somex to an Investor Group	609,100,000
United Mexican States	Sale of Banco del Centro to an Investor Group	281,400,000
United Mexican States	Sale of 66% Interest in Banco Promex to an Investor Group	352,000,000
United Mexican States	Sale of Banco Internacional to an Investor Group	481,000,000
United Mexican States	Sale of Banco Mercantil del Norte to an Investor Group	565,100,000
United Mexican States	Sale of Banco del Atlantico to an Investor Group	479,000,000
United Mexican States	Sale of Multibanco Comermex S.A. to an Investor Group	872,000,000
United Mexican States	Sale of Banoro Bank to an Investor Group	365,000,000
United Mexican States	Sale of Banca Serfin to an Investor Group	924,000,000
Valley National Corporation	Sale of Company for Stock to Banc One Corporation (Pending)	1,255,000,000
<b>Food &amp; Beverage</b>		
American Maize-Products Co.	Acquisition of Remaining Interest in American Fructose Corporation (Pending)	115,000,000
Australian Primary Trust	Sale of Uncle Toby's Company Ltd to Goodman Fielder Wattle Limited	239,250,000
Cereol Holding S.A., a unit of Ferruzzi Group	Acquisition of Növényolajipari és Mosószergyártó Vállalat from the Hungarian State Property Agency	Not Disclosed
Elite Industries Limited	Third Party Valuation of Sofpac S.A.	39,000,000
Freia Marabou as	Sale of Company to Kraft General Foods, Inc., a unit of Philip Morris Companies Inc. (Pending)	1,500,000,000
Kraft General Foods, Inc., a unit of Philip Morris Companies Inc.	Divestiture of Louis Kemp Seafood Company to Tyson Foods Inc.	Not Disclosed



CS FIRST BOSTON GROUP



## 1992 M&A Results (Continued)

CS First Boston Group Client	Description of Transaction	Approximate Size of Transaction
Lion Nathan Limited	Acquisition of the Remaining 50% of National Brewing Holdings Limited from Australian Consolidated Investment Limited	\$308,125,000
Procordia AB	Sale of W. Weibull AB to SLR	Not Disclosed
R.J. Reynolds Tobacco International S.A.	Acquisition of 87% Interest in Satorajauhely Tobacco Ltd. from the Hungarian State Property Agency	Not Disclosed
Sandhurst Dairies Ltd, a wholly owned subsidiary of Coles Myer Limited	Sale of Milk Processing Assets and Business of Sandhurst Dairies Ltd to Q.U.F. Industries Ltd	Not Disclosed
Stella D'oro Biscuit Company, Inc.	Sale of Company to Nabisco Inc., a subsidiary of RJR Nabisco Holdings Corp.	Not Disclosed
Tabacalera S.A.	Acquisition of Remaining 52.9% Interest in Compañia de Filipinas, S.A.	70,000,000
<b>Health Care</b>		
American Medical International, Inc.	Divestiture of West Alabama Hospital to DCH Regional Medical Center	Not Disclosed
Centocor, Inc.	Strategic Alliance with Eli Lilly and Company	100,000,000
Hospital Corporation International Ltd.	Merger with Bioplan Holdings, plc	100,000,000
Immunex Corporation	Merger with American Cyanamid's Lederle North American Oncology Business (Pending)	900,000,000
Medical Care International, Inc.	Stock Swap Merger with Critical Care America, Inc. to form Medical Care America, Inc.	908,000,000
Omnicare, Inc.	Divestiture of the Veratex Group to Chemed Corporation	62,120,000
<b>Industrial &amp; Other</b>		
ADT Ltd	Divestiture of Quoteplan Plc to Bowater Plc	401,000,000
Aer Lingus plc	Divestiture of ATS, Inc. to a Management-led Investor Group	Not Disclosed
American Dredging Company	Sale of substantially all of the Operating Assets of the Company to Weeks Marine, Inc. (Pending)	30,600,000
Arcata Corporation	Divestiture of San Jose, CA Printing Plant to Quebecor Printing, Inc.	29,500,000
Armco Inc.	Divestiture of Southwestern Ohio Steel Group to a Partnership between C. Itoh & Co., Ltd. and Armco Steel Company, L.P.	Not Disclosed
Banco do Brasil	Sale of 89% Interest in ACESITA to Investors	882,000,000
CDL Hotels International	Acquisition of Gloucester Hotel from The Rank Organization Plc (Pending)	104,000,000
Clark Equipment Co.	Divestiture of the Forklift Truck Business to Terex Corp.	90,000,000
Cookson Group Plc	Sale of Plibrico (Canada) Ltd. to Didier-Werke AG	Not Disclosed
DeVlieg-Bullard Inc.	Divestiture of Penberthy Inc. to Newflo Corp.	22,400,000
E. I. du Pont de Nemours and Company	Divestiture of the Connectors Division to Hicks, Muse & Co., Inc. and Mills & Partners (Pending)	400,000,000
Envirosafe Services, Inc.	Sale of Remaining Interest to EnviroSource Inc.	15,000,000
Fedders Corporation	Divestiture of Rotorex to Nycor Inc.	76,600,000
Glaverbel S.A.	Acquisition of AFG Industries Inc. by Glas International, a 50/50 Joint Venture of Glaverbel S.A. and Asahi Glass Co., Ltd.	1,100,000,000
Heekin Can, Inc.	Merger with Ball Corporation (Pending)	249,000,000
Fried. Krupp AG	Merger with Hoesch AG to form Fried. Krupp AG Hoesch-Krupp	2,700,000,000
JWP Inc.	Sale of JWP Air Emissions Group to Wheelabrator Technologies Inc.	Not Disclosed
MacAndrews & Forbes Holdings Inc.	Divestiture of Coleman Powermate Inc. and Coleman Powermate Ltd. to Coleman Co.	61,000,000
Mobil Corporation	Divestiture of Mobil Oil Austria's Vienna Headquarters Office Building to Interunfall AG	Not Disclosed
Oranje-Nassau Group	Divestiture of ENBI Group to Koninklijke Nijverdal-Ten Cate	Not Disclosed
Teledyne, Inc.	Divestiture of Teledyne Post and Teledyne National Divisions to Phomat Reprographics, Inc.	Not Disclosed
Teledyne, Inc.	Divestiture of Teledyne INET Division to MagneTek, Inc.	Not Disclosed
Teledyne, Inc.	Divestiture of Teledyne Big Beam Division to Shah Acquisition Corp.	Not Disclosed
Treuhandanstalt	Sale of NARVA Berliner Glühlampenwerk GmbH to an Investor Group	Not Disclosed
Treuhandanstalt	Sale of Thüringer Pneumatik GmbH and Hydraulikanlagen und -service GmbH, units of ORSTA AG, to Mannesmann-Rexroth GmbH	Not Disclosed
Treuhandanstalt	Sale of Hydraulik Ballenstedt, a unit of ORSTA AG, to Linde AG	Not Disclosed
Union Carbide Corporation	Sale of six units of COMAC AG to an Investor Group	Not Disclosed
United Dominion Industries Limited	Sale of a Majority Interest in Gas Tech Inc. to Gas Tech Employee Stock Option Plan	Not Disclosed
	Acquisition of Certain Businesses from Robertson-Ceco Corporation	135,000,000
<b>Insurance &amp; Investment Companies</b>		
Associated Insurance Companies, Inc.	Merger with Southeastern Mutual Insurance Company (Pending)	250,000,000
Clayton Dubilier & Rice Inc.	Acquisition of Van Kampen Merritt Companies from Xerox Corporation (Pending)	360,000,000
New York State Department of Insurance	Sale of Assets of Executive Life Insurance Company of New York to Metropolitan Life Insurance Company (Pending)	1,500,000,000
Phoenix Mutual Life Insurance Company	Merger with Home Life Insurance Company	211,000,000
Selective Insurance Group Inc.	Acquisition of Niagara Exchange Corp.	32,000,000
Topdanmark A/S	Advice with Respect to European Partnership	824,000,000
The Board of Administrators of UNISTorebrand under official administration	Advice with Respect to Restructuring (Pending)	Not Disclosed
Virginia Bureau of Insurance	Sale of Fidelity Bankers Life Insurance Co. to Hartford Life Insurance Co., a subsidiary of ITT Corp. (Pending)	4,100,000,000
<b>Media &amp; Telecommunications</b>		
American Television & Communications Corporation	Advice and Fairness Opinion with Respect to Offer by Time Warner Inc. for Remaining Interest	1,250,000,000
1st Cable Vision, Inc.	Advice and Fairness Opinion with Respect to Acquisition of a Cable Television System	Not Disclosed
Fujisankei Communications Group	Sale of Virgin Music Group to Thorn EMI PLC	1,000,000,000
The Government of the Hellenic Republic	Sale of a GSM Cellular License to STET	410,000,000
The Government of the Hellenic Republic	Sale of a GSM Cellular License to a Consortium Led by Vodafone and France Telecom	410,000,000
Graphic Management Associates, Inc. (GMA)	Sale of Company to Muller Martini	Not Disclosed
Intermedia Partners	Advice and Fairness Opinion with Respect to Acquisition of Cable Television Systems	Not Disclosed
Providence Journal Company and Kelso & Company	Acquisition of King Broadcasting Company	Not Disclosed
The E.W. Scripps Company	Divestiture of The Pittsburgh Press to Blade Communications, Inc.	Not Disclosed
Taft Broadcasting Partners, Ltd.	Sale of Interest in WPHL Inc. to Tribune Broadcasting Company, a unit of Tribune Company	19,000,000
Treuhandanstalt	Sale of DEFA Studio Babelsberg GmbH to Cie. Immobilière Phénix S.A.	Not Disclosed
Treuhandanstalt	Sale of Dokfilm Gesellschaft für Film-, Video- und Fernsehproduktionen GmbH to Filmhaus Film- und Fernsehproduktion GmbH	Not Disclosed
Treuhandanstalt	Sale of DEFA Studio für Dokumentarfilme GmbH and Defa Synchron GmbH to Kirch Group	Not Disclosed
<b>Natural Resources</b>		
Arkla, Inc.	Acquisition of Minority Interest in Arkla Exploration Company	92,600,000
Arkla, Inc.	Sale of Arkla Exploration Company to Seagull Energy Corporation	402,100,000
Arkla, Inc.	Divestiture of the Nebraska Distribution Assets to People's Natural Gas, a unit of Utilicorp (Pending)	78,000,000
Arkla, Inc.	Divestiture of the Kansas Distribution Assets to People's Natural Gas, a unit of Utilicorp (Pending)	25,000,000
Arkla, Inc.	Swap of Certain Minnesota Distribution Assets of Midwest Resources Inc. for South Dakota Distribution Assets and \$38,000,000 (Pending)	Not Disclosed
Baker Hughes Incorporated	Acquisition of Teleco Oilfield Services Inc. from Sonat Inc.	350,000,000
BASF Corp.	Divestiture of Wintershall Energy to Eland Energy Inc.	Not Disclosed
BASF Corp.	Divestiture of Wintershall Energy to Interstate Natural Gas Co.	Not Disclosed
BJ Services Company	Acquisition of Salvesen Oilfield Technologies Ltd. from Christian Salvesen PLC	55,000,000



## 1992 M&A Results (Continued)

CS First Boston Group Client	Description of Transaction	Approximate Size of Transaction
Cooper Industries, Inc.	Sale of Mining and Construction Division (Pending)	Not Disclosed
Devon Energy	Acquisition of all U.S. oil and gas properties of Hondo Oil & Gas	\$126,600,000
Exxon Corporation	Divestiture of the Bayway Refinery to Tosco Corporation	175,000,000
Gas Natural et al.	Acquisition of 70% Interest in Distribution de Gas Buenos Aires Norte S.A.	284,000,000
W.R. Grace & Co.	Tender Offer for Remaining Interest in Grace Energy Corporation	77,500,000
Hierro Peru	Sale of Hierro Peru to Shougang Corporation	312,000,000
Homestake Mining Company	Stock Swap Merger with International Corona Corporation	869,000,000
Mitchell Energy & Development Corp.	Advice with Respect to Adoption of Dual-class Stock Plan	Not Disclosed
Oryx Energy Company	Divestiture of Natural Gas Processing Facilities to various Acquirors	237,000,000
Pitston Coal Company	Acquisition of Kanawha Land Company from Addington Resources Inc.	42,500,000
Presidio Oil Company	Divestiture of Mountain Gas Resources Inc. to MS Gas Resources Inc.	80,000,000
Smith International Inc.	Divestiture of the Directional Drilling Systems & Services Unit to Halliburton Company (Pending)	240,000,000
Transco Energy Company	Divestiture of Tomcat Gathering System in Gulf of Mexico to Tejas Power Corp.	24,900,000
Transco Energy Company	Divestiture of Brazos Area Gathering System to Seagull Energy Corporation	6,200,000
Transco Energy Company	Divestiture of Louisiana Offshore Pipelines to Deep Tech International	65,000,000
Transco Energy Company	Divestiture of West Chalkley Field to Torch Energy Advisors	82,000,000
Transco Energy Company	Divestiture of Transco Exploration and Production Company to Forest Oil Corporation	45,000,000
Unocal Corporation	Divestiture of Petroleum Terminals to Louis Dreyfus Energy Corp.	Not Disclosed
<b>Paper &amp; Packaging</b>		
Crown Cork & Seal Company, Inc.	Acquisition of CONSTAR International Inc.	515,000,000
Double Envelope Corporation	Sale of Company to National Fiberstok Corporation, a portfolio company of McCown DeLeeuw & Co.	Not Disclosed
European Vinyls Corporation International SA/NV	Divestiture of Vymura International to Management	27,000,000
Jihočeské papírny, a.s.	Sale of JIP České Budějovice papírny, a.s. (Bupak) to Duropack Holding AG	Not Disclosed
Lawson Mardon Group	Acquisition of 100% Equity Interest in Cartonajes Suner from Cragnoti & Partners	71,000,000
Ncb AB	Divestiture of Hannover Papier AG to Sappi Ltd.	470,000,000
Papírpapri Vállalat	Sale of Majority Interest in Szolnok Papier Rt. to Brigl & Bergmeister Papierfabrik Aktiengesellschaft	Not Disclosed
<b>Retail &amp; Apparel</b>		
Garvey Holding AG, a subsidiary of CO-OPAG/Asko AG	Divestiture of 90% Interest in The Mantequeras Leonesas Group to Management and Investors	Not Disclosed
Hartmarx Corporation	Divestiture of Hartmarx Specialty Stores, Inc. to HSSA Group Ltd.	43,000,000
Hartmarx Corporation	Sale of 22% Equity Interest to Traco International, N.V.	30,000,000
Home Shopping Network, Inc.	Representation in Conjunction with RMSLP's Sale of Control to Liberty Media Corporation (Pending)	160,000,000
The Mounger Corporation	Sale of the Company, including Pacific Trail, Inc. to PTI Holding Corp., a company organized by GKH Partners, L.P. and Management	Not Disclosed
Proffitt's Inc.	Acquisition of seven Hess Stores from Hess Department Stores Inc. and Crown American Corp.	Not Disclosed
Super Club Holding & Finance S.A.	Valuation Advisory in Connection with Acquisition of Remaining Interest by Philips Electronics N.V.	Not Disclosed
<b>Technology</b>		
Datamat Ingegnerie dei Sistemi S.p.A.	Sale of 75% Interest to Cassa di Risparmio di Roma	Not Disclosed
Digital Equipment Corporation	Acquisition of 10% Interest in Ing C Olivetti & Co. S.p.A.	340,000,000
First Financial Management Corporation	Acquisition of Alta Health Strategies, Inc.	117,000,000
First Financial Management Corporation	Acquisition of TeleCheck Services, Inc. from McDonnell Douglas Capital Corporation	70,000,000
First Financial Management Corporation	Acquisition of Payment Services Company-U.S.	90,000,000
Itron, Inc.	Acquisition of EnScan, Inc. from Arkla, Inc.	Not Disclosed
N.V. Koninklijke Nederlandse Vliegtuigenfabriek Fokker	Merger with Deutsche Aerospace AG (Pending)	506,300,000
Northrop Corporation	Acquisition of 49% Interest in the Aircraft Division of LTV Aerospace and Defense Company	234,000,000
Penn. Central Corporation	Sale of G & H Technology, Inc. to an Investor Group	Not Disclosed
Security Pacific Corporation	Divestiture of SUMMIT Information Systems Corp. and American Data Services Inc. to First Financial Management	Not Disclosed
Wicat Systems, Inc.	Sale of Company to Jostens, Inc.	105,000,000
<b>Transportation</b>		
Chrysler Rail Corporation	Sale of 4,400 Rail Cars to U.S. Leasing International Inc.	Not Disclosed
Commonwealth of Australia	Advisor to the Commonwealth of Australia in the Sale of Australian Airlines Limited to Qantas Airways Limited	290,000,000
Commonwealth of Australia	Advisor to the Commonwealth of Australia in the Sale of 25% of Qantas Airways Limited to British Airways PLC	465,000,000
Deutsche Lufthansa AG	Acquisition with Japan Airlines Company, Ltd. and Nissho Iwai Corporation of Additional Interest in DHL Worldwide Express	Not Disclosed
Government of Hungary	Sale of 30% Interest in MALEV Hungarian Airlines to Alitalia S.p.A. and 5% Interest to SLMEST (Pending)	77,000,000
Union Pacific Corporation	Acquisition of 2,000,000 Common Shares of Chicago & North Western Holdings from Blackstone Capital Partners	39,000,000
<b>Utilities</b>		
The Kansas Power & Light Company	Merger for Cash and Stock with Kansas Gas & Electric Company	991,900,000
North West Transfield Joint Venture	Acquisition of Private Water Treatment Plant from the Melbourne Water Board (Pending)	18,125,000
Servicios Eléctricos del Gran Buenos Aires (SEGBA)	Sale of 51% Interest in Edesur S.A. to an Investor Group	580,283,000
Servicios Eléctricos del Gran Buenos Aires (SEGBA)	Sale of 51% Interest in Edenor S.A. to an Investor Group	476,423,000
State Electricity Commission of Victoria	Sale of 51% Interest in Loy Yang B Power Station to Mission Energy Company (Pending)	411,800,000

# First Ideas, Then Results.



CS FIRST BOSTON GROUP







## Strong growth from Cellnet gives a fillip to outcome Securicor sharply up at £54.5m

By Angus Foster

SECURICOR, the security and communications group, yesterday announced a sharp recovery in profits thanks to improved margins and strong growth from Cellnet, its 40 per cent-owned mobile telephone network.

Pre-tax profits for Securicor increased by 65 per cent, from £33m to £54.5m, in the year to September 30. Profits at Securicor Services, its 50.75 per cent-owned subsidiary where most of the group's operating companies are based, showed an 81 per cent improvement, from £20.4m to £37m.

Mr Roger Wiggs, chief executive, said the improved results partly reflected cost cutting since 1991. But he said "there is no room for complacency" in returning businesses like security and parcels to previous levels of profitability.

Cellnet, the smaller of the UK's two mobile networks, increased operating profits by 32 per cent to £151m in the six months to end-September, of

### Promising start for Lifetime package

Cellnet's Lifetime package, designed to attract consumer rather than business users to cellular phones, made a promising start after its November launch, according to Mr Stafford Taylor, managing director.

By the end of last year, 44,000 new subscribers had signed up for the service, although 17,000 of these were business subscribers switching to the new package. This compared to 45,000 new subscribers for Vodafone, the larger network which started its LowCall service slightly earlier. In December, when sales were boosted by Christmas, Cellnet's market share exceeded Vodafone's for the first time in several years.

Cellnet's turnover increased 12 per cent to £360m in the year to September 30 while operating profits grew 32 per cent to £151m, Mr Taylor said.

which Securicor's share is some 580m. Cellnet is 60 per cent-owned by BT and its financial year runs to the end of March.

Mr Wiggs repeated previous statements that any "sufficiently attractive" offer for the Cellnet stake would be put to shareholders. Cellnet's dividend to Securicor increased 30 per cent to £13m, he said.

Securicor's turnover

increased 3.3 per cent to £584m. The security division had a strong second half and the parcel division's sales were lifted by the acquisition in March of Federal Express's UK business.

The communications division, which excludes Cellnet but includes cellular retailing, continued to lose money because its subscriber base remains too small.

Earnings increased 46 per

cent to 34.3p per share.

A final dividend of 1.955p is proposed to make a total of 2.62p, an increase of 12 per cent.

The same increase is proposed at Securicor Services to make a total of 5.03p.

### COMMENT

Securicor's public position on selling its Cellnet stake has not changed, but analysts detected the company has at least been mulling over what to do with any proceeds. No sale is expected immediately, and it may be a couple of years before BT makes the right offer. In the meantime, Securicor's rapid growth from the depressed levels of 1991 is set to continue.

Forecast profits for this year of £57m, rising perhaps to £59m in 1994, partly explain yesterday's 8p rise in the A shares to 643p, where they are on a multiple of nearly 20. The company's strange structure, and the difficulty outsiders face in valuing Cellnet, may hold the shares back, but they look a reliable longer-term performer.

## Acquisitions boost Intercare to £3.6m

By Andrew Bolger

INTERCARE GROUP, the rapidly-expanding healthcare products supplier, more than doubled its pre-tax profits from £1.5m to £3.6m in the year to October 31.

Sales rose from £14.9m to £29.1m, boosted by contributions from the group's two most significant recent acquisitions.

SAFA, which distributes occupational health products to corporate customers, was in for seven months, and Birmingham Optical, which supplies equipment to opticians, made a six-month contribution. The acquisitions were funded by a £5.5m placing and offer last March.

Mr Peter Cowan, chairman, said a pleasing aspect of the results was that profitability of businesses owned for a full year had grown organically by about 25 per cent.

The group has created a new division which comprises Boosters, which makes electric vehicles for the elderly and disabled, and Montis, its distributor in the Netherlands. This mobility division saw trading profits grow from £591,000 to £1.9m on sales up from £2.86m to £8.69m.

The optical division increased trading profits from £240,000 to £891,000 on sales up from £2.4m to £6.9m. Mr Cowan said the purchase of Birmingham, a distributor of clinical instrumentation and lenses to retail opticians, had complemented the original optical business.

The medical products distribution division, which includes A-Z Dental Holdings, increased trading profits to £825,000 (£690,000) on sales of £13.5m (£9.6m). Dental's pre-tax profit was £252,000 (£372,000) on sales of £3.7m (£2.4m).

Gearing is under 6 per cent. Mr Cowan said he expected to be able to maintain organic growth in excess of 20 per cent.

Earnings per share rose to 9.5p (7.5p). A final dividend of 2p gives a total 2.8p (2p), an increase of 30 per cent.

## City gives a favourable response to TSB results

By John Gapper, Banking Correspondent

FULL YEAR results of TSB may have been unsatisfactory as far as the bank was concerned, but they received a gratifying response. The news that it had made a lower than expected pre-tax profit of only £42m - after a bad debt charge of £597m - was followed by a jump in the share price.

Investors discerned some underlying encouraging news in TSB's record operating profit, which rose to £648m before exceptional items in the year to October 31. The good cheer also spread to other bank stocks as the market revised its expectations of the full-year results to come.

The news was nonetheless well-hidden among other tales of woe in TSB's figures. It is still suffering a hangover from lending in the late 1980s. It even split out the figures for its Mortgage Express subsidiary, and had loans from its Hill Samuel merchant bank, to make the problems starkly clear.

The decision to bite the bad lending bullet even harder than last year - when it became the first bank to make a significant full-year loss because of domestic lending - came in October.

That was TSB's hope of a quick revival in commercial property prices finally evapo-

rated. The result was the setting-up of its Loan Administration Unit to take on the poor lending of Hill Samuel - much of made in a two-year burst in the late 1980s. The unit took on a net £1.8bn of Hill Samuel lending, which has been written down to £917m after making a provision of £383m - or 49 per cent.

Although property lending makes up £434m of the total - and is provisioned at 51 per cent - the unit handles a huge array of bad loans spread across industrial sectors. Mr Mike Fairley, the bank's credit director in charge of the unit, describes the property as "not dreadful, but a mixed bag".

The other big headache is Mortgage Express, the centralised mortgage lender which is being run down and made a loss of £67m.

Six thousand visits were made to borrowers in arrears last year after the alternative - an average loss of £35,000 on selling repossessed homes - proved too costly.

The separation of these two businesses leaves Hill Samuel and the newly-merged retail banking and insurance business to trade with a lighter load. TSB's long-term profitability - and even whether it survives as an independent bank - depends on the two divisions producing better returns.

Hill Samuel is starting with a clean sheet. Its £2.4bn loan portfolio carries no net bad debt charge because all charges were transferred to the loan administration unit. Mr Peter Ellwood, chief executive, said Hill Samuel might even be kept clean by the transfer of future bad loans to the unit.

However, Hill Samuel faces a stiff task in building new and profitable business. TSB wants it to concentrate on the mid-corporate market - companies with a net worth of between £50m and £500m - and only lend where cross-selling of other products will boost the return on capital.

The group's future profitability therefore depends above all on retail banking and insurance.

A firm cost drive this year - which has provoked industrial action - is the main reason for the improvement in operating profits. But it will also need to raise revenue markedly in the long term.

Mr Ellwood wants to increase volume by drawing customers to high interest-bearing accounts. He hopes it can compensate for narrowed margins in this way. But he acknowledges the size of the challenge.

"The fact is that too many banks are chasing market share, with massive overlap," he says.

See Lex

## Hoare Govett named as Dairy Crest broker

By Maggie Urry

DAIRY CREST, the milk processing and dairy products subsidiary of the Milk Marketing Board, has appointed Hoare Govett as the stockbroker to handle its flotation next year.

The float is expected to give Dairy Crest a market value of about £500m and raise £150m of new money.

Schroders has already been appointed as the merchant bank for the issue. Dairy farmers will have shares in Dairy Crest, a factor which will complicate the flotation.

The appointment of Hoare Govett, chosen from a number of contenders, gives a boost to the broker which had suffered from uncertainty of ownership until it was bought by ABN Amro, the Netherlands bank, last June.

Hoare Govett has recently been appointed broker to Irish Permanent Building Society.

## Wyko declines to £121,000

By Paul Chesswright, Midlands Correspondent

WYKO, the power transmission components distribution and manufacturing group, reported a sharp reduction in first half profits and cut its interim dividend.

The pre-tax line for the six months to October 31 fell to £121,000, after an exceptional £94,000 related to the sale of Wyko Power Plant Gears, compared with £279,000 last time.

Turnover increased from £25.4m to £29m. Sales on the distribution side increased, albeit at the cost of slimmer margins, but fell on the manufacturing side as orders from the process plant industry declined.

Another problem is the German market, where group subsidiaries fell into losses. "This deficit, against which the group has no offsetting tax relief, led to a first half tax charge which exceeded pre-tax

profits. This resulted in an attributable loss of £24,000 and was the main reason for the paring of the interim dividend to 0.5p (1.4p). Losses per share were 0.07p (earnings of 0.66p).

Since last October demand has improved and although Mr Philip White, chairman, is uncertain whether this is "a false dawn or whether we shall see some sustained demand" he believes that the second half "should produce a more encouraging result."

## Jones Stroud advances 32% to £3.29m

JONES STROUD (Holdings), the manufacturer of accessories and materials for the textiles and electrical industries, lifted pre-tax profits by 32 per cent from £2.49m to £3.29m in the six months to September 30.

Mr Philip Jones, chairman, said it was pleasing to report a recovery despite the difficult trading conditions.

Turnover grew to £34.2m (£31.9m) and trading profits were up at £3.31m (£2.72m). This time there were no exceptional charges (£123,000 for factory closures). Net interest payable was reduced to £19,000 (£104,000).

Mr Jones said that the recent devaluation of sterling had affected raw material costs "at a time when increases are diffi-

cult to recover". He added, though, that Jones Stroud should also benefit from the concomitant improved competitiveness in overseas markets.

The interim dividend is lifted by 10 per cent to 3.3p, payable from earnings up 34 per cent at 12.3p. Mr Philip and Mr David Jones, managing director, together own 70.05 per cent of the company's equity.

## Some say 2,109 MIPS

(Sun says: all the power you need for better business.)

## Some say 1 Terabyte of storage.

(Sun says: enough to hold all the information in your enterprise.)

## Some say dual system XDBuses.

(Sun says: a system that fits today, and grows with you.)

## These are more than computers. They are networks that compute.

It's not that technical specs don't matter, it's that making people work better, faster and smarter, matters more.

That's why a Sun SPARCserver™ and a Sun SPARCstation™ are designed as powerful business tools, as well as powerful computers.

The new SPARCcenter™ 2000 is the industry's best, most powerful and expandable UNIX® server. The first server that outperforms mighty mainframes for a tenth of the cost. With the best upgrade story, taking you easily and cost-effectively from two processors right up to 20.

It's powerful enough to run your department, your division, your entire enterprise. And all for £86,400.

The new SPARCstation LX and SPARCclassic™ help users



speed through some of the 5,000 applications available on Sun.

The SPARCclassic is the best value, lowest-cost colour RISC workstation in the industry. The first with a price tag that's lower than many PCs - just £3395\*, fully configured with 16 MB of memory, 207 MB of disk storage and 59MIPS throughput.

The new SPARCstation LX is the most advanced, most affordable accelerated graphics workstation.

The same eye-popping specs as the SPARCclassic, but with graphics accelerator, 16-bit audio and on-board ISDN communications.

All designed to bring together resources and islands of

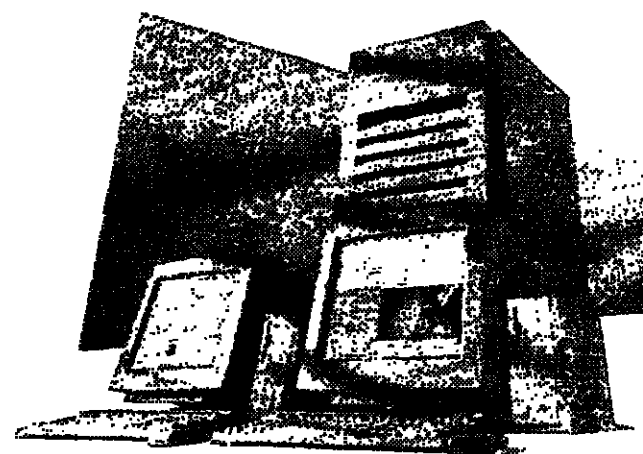
information across your entire enterprise, so seamlessly that the network itself acts as a single computer. Designed to make the entire networking environment a natural extension of the people who use it. Designed to work with what you already have in place.

If you want to talk more than computers, call Sun now on 0800 661177. Find out what else we're doing to help existing systems evolve. And what's made Sun the world's fastest-growing computer corporation.



Sun Microsystems Ltd

Wachmoor Park Riverside Way Camberley GU15 3YL



\* Price of £3395 is for quantities of 12. Sun Microsystems is rated by Fortune magazine as the fastest-growing computer corporation for 1991-1992 sales growth and profit growth in Fortune's Global 500. ©1992 Sun Microsystems, Inc. Sun, Sun Microsystems, the Sun logo, and Solaris are trademarks or registered trademarks of Sun Microsystems, Inc. All SPARC trademarks, including the SCD Computer logo, are trademarks or registered trademarks of SPARC International, Inc. SPARCcenter, SPARCstation, and SPARCclassic are trademarks of Sun Microsystems, Inc. All other products or service names mentioned herein are trademarks or registered trademarks of their respective owners.



## COMPANY NEWS: UK

## Chief again seeks to counter rumours over sale of film and television interests

# Rank disappoints with fall to £230m

By Peggy Hollinger

RANK Organisation, the leisure and entertainment group, yesterday disappointed the City with slightly lower than expected profits of £230.1m, against £250.5m last time.

The group also warned that, so far, there had been no sign of an upturn in UK trading, although there were encouraging signs in the US. Turnover for the 12 months to October 31 slipped from £2,111m to £2,101m. Marketmakers, who had been expecting profits of between £233m and £245m, marked the shares down 17p to 687p following the announcement. They recovered, however, to close just 9p down at 686p.

Mr Michael Gifford, chief executive, for the second time this week sought to counter rumours over the sale of the group's film and television interests. Responding to persistent questions over a possible sale, he replied: "We are not in the business of selling our film and television interests and there the matter rests."

Analysts continued to speculate, however, that if an offer in excess of £400m was made by a reliable bidder from within the industry, Rank would have to consider it.

Debt was reported higher at £999.3m (£980.8m) although, excluding currency fluctuations, Rank said it had generated a positive cash flow of £59m. This was partly due to a series of disposals, such as motorway services, Rank Screen Advertising and three hotels, which raised £150.9m.

Pre-tax profits were hit by a downturn in Rank Xerox and an £8.1m (£1.3m) exceptional debit due to provisions against property values and redundancy and reorganisation costs.

The return was also depressed by the effects on Rank's holidays and hotels division of a price war in the travel industry. Price competition depressed the contribution from Rank Xerox, which fell by £21.4m to £137.3m. Trading had been particularly difficult in Europe and the Far East. Overall revenue for Rank Xerox, 49 per cent held by the Rank Organisation, rose by 4 per cent on an underlying basis.

In the holidays and hotels division, trading profits were down 22 per cent to £59.6m. This was largely the result of overcapacity in the overseas holidays market, which led to people taking "fewer UK holidays or none", said Mr Gifford. The hotels division, a large



Sir Leslie Fletcher, chairman: profits hit by downturn at Rank Xerox and exceptional items

part of which is up for sale, reported record profits out of London.

A £5m reduction in losses at Rank's video distribution operation in the US helped the film division report profits some £8m higher at £27.4m. Leisure was 74 per cent higher at

£41.1m, while the recreation division suffered a 2.6 per cent fall to £57.8m.

The final dividend is maintained at 20.75p for an unchanged total of 31p while earnings fell slightly to 37.8p (38.4p).

• A Kershaw and Sons, See Lex

Rank's separately-quoted subsidiary which owns about 10 per cent of the group's share of Rank Xerox, reported pre-tax profits of £9.9m, against £9.5m last time. The dividend is maintained at 18p for a 27p (same) total.

## Acquisition helps Cray Electronics leap to £18m

By Paul Taylor

CRAY Electronics Holdings, the Berkshire-based high technology group which acquired the Dowty Information Technology division from TI for £50m in July, yesterday reported sharply higher turnover and profits for the first-half and resumed payment of an interim dividend.

Operating profits in the six months to October 31 more than doubled to £5.71m, against £2.77m last time. The latest figure included £1.12m attributed to acquisitions and £787,000 (£982,000) from discontinued operations. Turnover increased to £61.9m (£40m), including £9.91m (£5.85m) from discontinued operations.

Pre-tax profits, including a £13m profit on disposals and after £399,000 in net interest payments, jumped to £17.8m from £26,000 last time when profits were reduced by £1.1m in abortive bid costs and

£1.51m of net interest payments partly offset by a £410,000 profit on disposals.

Earnings per share came out at 10.33p (0.47p) and an interim dividend of 0.5p is declared. Sir Peter Michael, chairman, said Cray's outlook had been "transformed" by the acquisition of Dowty IT and its subsequent merger with the original Craycom business to form the new core Cray communications division comprising four companies based in the UK, US, Denmark and Australia.

He said the results confirmed both the growth achieved by the original Cray companies and the non-dilutive effect of the Dowty IT acquisition.

At the end of October, having paid for the Dowty IT acquisition mainly through a £41.1m rights issue, the group's total debt was about £7.4m.

Since then the group has sold two non-core businesses and has eliminated all debt.

## COMMENT

The Dowty IT acquisition was a big lump to swallow, but appears to have been well digested and integrated into the new communications division. The Dowty businesses generated about £30m of the first-half revenues and about £1.1m of profits. Although margins in the new businesses were slim at 3.7 per cent, the full effect of cost cutting has yet to come through. With pre-tax profits projected at between £15m and £17m this year, producing earnings of 6.4p a share, the stock is currently trading on a lofty prospective p/e of 20.9, although this drops to about 16 based on next year's prospective earnings. Against this Cray is operating in an increasingly competitive international market, its share price has risen sharply recently and already commands a premium. Hold.

## Owners Abroad accused of poor pricing and confused marketing

By Richard Gourley

AIRTOURS ACCUSED rival holiday group, Owners Abroad, of having a confused marketing strategy and poor pricing judgment which had led to a disappointing financial performance.

Mr David Crossland, Airtours chairman, called Owners Abroad's proposed link with Thomas Cook, the travel agency and financial services group, "a poison pill" which was ill-conceived. It was liable to lead to an erosion of value for Owners Abroad's holders.

In the offer document, posted to shareholders yesterday, Mr Crossland said an investor who bought £1,000 of Airtours

shares five years ago would have had an investment worth £16,500 just before the £215.4m bid was launched on January 5. A similar investment in Owners Abroad would have been worth only £2,035.

Owners Abroad said it saw little in the Airtours document that it had not already addressed but it would make a detailed rebuttal today. The company added that a £1,000 investment in Airtours on January 5 would now be worth £908.

Airtours said that in the 1980s Owners Abroad had embarked upon a "misguided policy of brand proliferation" which was now being reversed. Owners Abroad had 94 brands

against Airtours' 16 and the three "serious" brands sold by Thomson, the market leader.

Mr Harry Coe, Airtours finance director, said the lack of focus was exemplified on the Greek Island of Kos where Owners Abroad was selling eight different holiday brands. An Owners Abroad adviser said that the company was not over-represented, rather Airtours was under-represented.

Airtours said that Owners Abroad's recent increase in the capacity of its Air 2000 charter airline left it financially vulnerable to swings in market demand. A combined group would be able to absorb a significant amount of the surplus.

## Denmans Electrical advances 21%

By Graham Deller

SHARES OF Denmans Electrical, the USM-quoted electrical goods group, were yesterday marked 50p higher in a thin market to 278p after a 21 per cent profit advance.

On turnover of £35.8m (£34.5m), pre-tax profits for the 12 months to September 30 rose from £1.26m to £1.52m. Mr Arnold Denman, chairman,

said that stringent cost controls had again contributed to the improvement in margins.

Recession in the building industry continued to affect the wholesale business. Profits were again depressed by an exceptionally high level of bad debts, Mr Denman said.

The Euroelectric importing and distribution side achieved "significant growth" in sales and improved profits, while the

Eterna Lighting manufacturing operation reported increased profits despite higher costs from assimilating new products. These products helped Eterna maintain volumes in spite of "severely depressed" traditional markets, he added.

The final dividend is raised to 4.3p making a total of 6.1p (5.85p), covered just under 4 times by earnings of 23.73p (18.75p) per share.

## Windsor shows strong growth

By Richard Lapper

Despite tough trading conditions, Windsor, the specialist sports insurance broker, made a pre-tax profit of £616,000 for the year to September 30, a sharp recovery from the comparable deficit of £1.2m, struck after a £1m property write-down.

Earnings per share were 1.69p (losses 3.2p). The group reported strong growth in its core sports business.

Commissions on sport insurance policies account for about 25 per cent of its operating income which grew on an underlying basis by 10 per cent to £7m (£6m).

## Recovery year for NatWest Bancorp

By John Gapper, Banking Correspondent

NatWest Bancorp, the US subsidiary of National Westminster Bank, yesterday completed a year of recovery from losses by reporting a record fourth quarter profit after tax of £50.1m (£32.8m) compared to a deficit of £29.8m the previous year.

The final quarter profit took net income for the year to £155.7m, compared to a 1991 loss of £371.5m.

The loan loss provision for 12 months fell to \$122m (\$567.7m) after efforts to improve asset quality.

Mr John Tugwell, chairman and chief executive, said he was "delighted" with what had been accomplished.

He said the bank had managed to diversify revenue by introducing new products such as annuities, mutual funds and private banking.

Operating expenses for the year fell to \$782.5m (\$780.8m),

## Recession blamed for decline at Goode Durrant

By Matthew Curtin

GOODE DURRANT, the mini-conglomerate with interests in van hire, property and motor dealerships, reported a 32 per cent decline in pre-tax profits to £1.5m in the half year to October 31.

Turnover fell from £97.8m to £90.6m. Northgate, the group's commercial vehicle hire business, was the only UK operation to improve its performance, contributing a fifth of sales, but 79 per cent of operating profits.

Earnings per share were 2.3p (3.5p). The interim dividend is maintained at 2.15p.

Mr Michael Waring, chief executive, said the depth of the recession took its toll on the equipment hire, property, and motor distribution divisions. GDM Finance, the South African trading finance subsidiary, improved profits despite difficult local conditions.

There were signs of improving economic activity in the UK - from larger numbers of

customers in car showrooms to now-steady levels of van and equipment hire, and the group's successful sale of a small office block in Blackburn in December - but they were "too tentative" to have much effect on the results.

The group continued to focus on "liquid asset management" and was addressing ways of moving out of the property business.

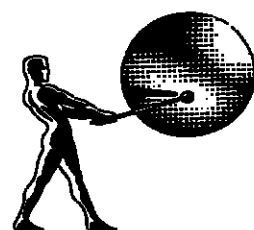
Last year saw a \$6.27m exceptional provision for property and land-bank write-downs, which tipped the group into the red.

Mr Graham Perrins, a director of Winnedean, the South African company owned by the Nash family which has a 25 per cent hostile stake in the group, said the results were disappointing. The group was paying the price for expensive acquisitions in the past, which had led to large goodwill write-offs. Winnedean would like to see management take a "more pro-active" approach to restructuring the business.

## The Rank Organisation

# 1992 Results

	1992	1991
Profit before tax	£230.1 m	£250.5m
Earnings per share	37.8p	38.4p
Ordinary dividend	31.0p	31.0p



The 1992 Report & Accounts will be posted to shareholders on 1st February 1993. Copies may be obtained from the Secretary, The Rank Organisation Plc, 6 Cornmarket Place, London W3 2EZ.

**Offers**  
by  
BZW and British Linen Bank  
on behalf of

**Airtours plc**  
("Airtours")  
for  
Owners Abroad Group Plc  
("Owners Abroad")

Barclays de Zotte Wadd Limited ("BZW") and The British Linen Bank Limited ("British Linen Bank") announce on behalf of Airtours that, by means of a formal offer document (the "Offer Document") despatched on 14 January 1993, and by means of this advertisement, Airtours, through BZW and British Linen Bank, makes offers (the "Offers") to acquire the whole of the ordinary and convertible preference share capital of Owners Abroad (the "Owners Abroad Shares"). Terms defined in the Offer Document have the same meanings in this advertisement.

The Offers comprise 3 Airtours Ordinary Shares for every 8 Owners Abroad Ordinary Shares (the "Ordinary Offer") and 188.5 Airtours Convertible Preference Shares for every 100 Owners Abroad Convertible Preference Shares (the "Convertible Preference Offer").

Owners Abroad Ordinary shareholders who accept the Ordinary Offer may elect to receive, in respect of up to approximately 55 per cent of their shareholdings in Owners Abroad, a Partial Cash Alternative instead of some of the Airtours Ordinary Shares to which they would otherwise be entitled under the Ordinary Offer on the basis of 108p in cash for each Owners Abroad Ordinary Share.

Owners Abroad Convertible Preference shareholders who accept the Convertible Preference Offer may elect to receive a Partial Cash Alternative, in respect of up to approximately 55 per cent of their shareholdings in Owners Abroad, instead of some of the Airtours Convertible Preference Shares to which they would otherwise be entitled under the Convertible Preference Offer on the basis of 188p in cash for each Owners Abroad Convertible Preference Share.

The full terms and conditions of the Ordinary Offer, the Convertible Preference Offer and the Partial Cash Alternative are set out in the Offer Document.

The Offers are not being made in the United States or Canada or by use

of the mails or by any means or instrumentality of United States interstate or foreign commerce or of any facilities of a United States national securities exchange. This includes, but is not limited to, the post, facsimile transmission, telex and telephone. Persons wishing to accept the Offers should not use such means or any such means, instrumentality or facility for any purpose directly or indirectly related to acceptance of the Offers and so doing may invalidate any purported acceptance. The new Airtours Ordinary Shares and Airtours Convertible Preference Shares have not been and will not be registered under the United States Securities Act of 1933 (as amended) and may not be offered, sold, resold or delivered, directly or indirectly, in or into the United States.

The Offers are being made by means of the Offer Document and this advertisement and are capable of acceptance from and after 14 January 1993. Acceptances of the Offers should be received by not later than 3.00 p.m. on 4 February 1993 (or such later time) and/or dated) as Airtours may, subject to the rules of the Code, decide. Copies of the Offer Document, Listing Particulars and Forms of Acceptance are available for collection from Bank of Scotland, New Avenue, Apex House, 9 Haddington Place, Edinburgh EH1 4AL and 3rd Floor, Broad Street House, 55 Old Broad Street, London EC2P 2HL.

This advertisement is published on behalf of Airtours and has been approved by BZW and British Linen Bank which are members of The Securities and Futures Authority, solely for the purposes of Section 57 of the Financial Services Act 1986.

The Directors of Airtours accept responsibility for the information contained in this advertisement and, to the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in this advertisement is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Offers are not being made in the United States or Canada or by use

Dated: 14 January 1993

**vita**

**At last, it's caught up with us!**

We may call ourselves British Vita but the fact is we look upon Europe as our home market. With around fifty operations in the United Kingdom and almost sixty in continental Europe, there is really no other way to look at it.

**Vita...**  
**vita** an uncommon Company in the Common Market  
BRITISH VITA P.L.C.  
Middleton, Manchester M24 2DB  
Tel. 061-643 1133 Fax: 061-653 5411

INTERNATIONAL LEADERS IN POLYMER, FIBRE AND FABRIC MATERIALS AND TECHNOLOGY  
SERVING THE FURNISHINGS, TRANSPORTATION, APPAREL, PACKAGING AND ENGINEERING INDUSTRIES

**Chrysler Financial Corporation**  
US \$150,000,000 Floating Rate Notes due 1994  
For the period from January 15, 1993 to April 15, 1993 the Notes will carry an interest rate of 3 3/4% per annum with an interest amount of US \$44.53 per US \$50,000 Note and of US \$44.53 per US \$50,000 Note.  
The relevant interest payment date will be April 15, 1993.

Agent Bank  
Banque Paribas Luxembourg  
Société Anonyme

مكتبة القرآن الكريم



## Cost controls and lower interest charges behind improvement

## Microgen rises 13% to £8.24m

By Paul Taylor

MICROGEN Holdings, the Windsor-based specialist computer services group, yesterday reported a 13 per cent increase in full year pre-tax profits to £8.24m.

The improvement, up from last time's £7.2m, was helped by cost cutting, price increases and substantially lower interest charges.

Turnover for the year to October 31 rose 3 per cent to £49.3m (£47.7m).

At the previous year-end the group acknowledged that costs and capital expenditure had been allowed to run ahead of

income during the recession. Earnings per share increased by 13 per cent to 13.8p (12.2p). A final dividend of 5.05p (4.8p) makes a 7.25p (7p) total.

Mr Douglas Lee, chairman, said he was "quite pleased" with the overall advance, achieved against a background of "relatively stable conditions in Germany, but continuing severe recession in the UK, Ireland and Scandinavia."

In particular he cited the "outstanding achievement" of the group's Scandinavian operations.

These now accounted for a third of turnover and 29 per cent of pre-tax profits and man-

aged to boost sales despite the recession, although margins on new business were somewhat lower.

Mr Lee said three main factors explained the profit gain.

Costs in the UK, including personnel, had been reduced to produce £1m of savings in a full year, a price review of smaller accounts led to prices being raised, producing an additional £400,000, and the cash position has improved significantly.

At the end of October the balance sheet held net cash of £2m, compared to net borrowings of £1m a year earlier, after paying £1.1m in October to

acquire a computer output microfilm (Com) and electronic printing business in Denmark.

Microgen's core Com business currently accounts for about 70 per cent of turnover, down from 78 per cent a year ago.

It is a mature market which is being slowly eroded by new technologies like optical storage.

However, Mr Lee said the group was confident that Com "has a long and secure future." Specialist services based around electronic printing, like "demand publishing", are expected to provide most of the growth in the future.

## 3i raises £24.6m from sale of trust stakes

By Charles Batchelor

3i GROUP, the venture capital company, has sold its holdings in two publicly-quoted investment trusts, London Atlantic Investment Trust and North British Canadian Investment Company, for £24.6m after costs.

This represents the second largest disposal of an investment - after the sale of a £38m stake in the Frizzell financial services group - by 3i in the past 12 months.

The proceeds will be devoted to its core activity of investment in unquoted companies.

3i held stakes of 55 per cent stake in London Atlantic and 27.2 per cent in North British.

It will continue as investment manager for both the trusts, which specialise in smaller quoted companies, and is still keen to take on the management of other investment trust portfolios where possible, said Mr Rupert Wiles, executive director.

3i's portfolio management division still has responsibility for its direct stakes in quoted companies and for managing the group pension fund - a total of about £500m worth of investments.

3i held the stakes for several decades, and originally acquired its holdings so as to have a home for some of its quoted investments. This was no longer appropriate, Mr Wiles said.

3i has its own much delayed plans to obtain a public listing in investment trust form.

The disposal involved 25.1m shares in London Atlantic which were placed with about 20 institutional investors at a discount of 2 per cent to the mid-market price of 71½p by stockbroker James Capel.

Some 7.3m shares in North British were placed with about 10 institutions at a discount of nearly 4 per cent to the mid-market price of 108p.

London Atlantic has recently traded at a 13 per cent discount to net asset value and North British at a 9 per cent discount. The sale is expected to increase liquidity in the stock.

3i still has an 18 per cent stake in the Investment Trust of Guernsey.

## Stanley Leisure slips but detects signs of recovery

By Andrew Bolger

STANLEY Leisure Organisation, the betting shop, casino and snooker club group, yesterday reported a slight drop in pre-tax profits from £2.73m to £2.53m in the six months to November 1.

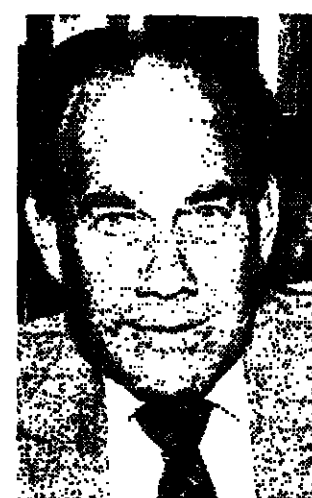
The group also said it had recently detected the first signs of a recovery in spending due to lower interest rates.

Mr Leonard Steinberg, chairman, said: "People don't want to be miserable. They want to go out and spend it", but he added that high levels of unemployment were likely to prove a continuing restraint on confidence.

The profits setback was struck from turnover 8 per cent ahead at £108.5m.

Mr Steinberg said the period was the worst he had experienced in 38 years in the gaming industry.

He added: "We believe that while the recession is not yet over, a slow upturn has started. As a result, we remain



Leonard Steinberg: an upturn from recession has started

confident and look forward to the next financial year with a degree more optimism than previously."

Stanley will have more than 350 betting shops after next month's completion of its

acquisition of 26 Surrey Racing betting shops in Scotland for £2.99m.

During the half year, the racing division showed a slight improvement, but this was mainly due to turnover from acquisitions, and the average stake per slip increased only marginally, from £3.38 to £3.42p. Gross margins were slightly down, after a run of unfavourable results during the summer.

Stanley's 17 provincial casinos, which contribute about half of group profits, saw a slight fall in turnover, coupled with an improvement in margin. The spend per head was flat at £24.

Mr Steinberg said: "Trading has improved since the half year, with the casino division showing greater signs of an upturn. Betting turnover had also improved, but margins are under some pressure."

Earnings per share were down from 5.82p to 5.49p. The interim dividend is held at 1.53p.

## Hampson edges ahead to £1.69m

By Paul Cheswright, Midlands Correspondent

PROFITS before tax at Hampson Industries, the precision engineering, aluminium and home products group, edged up in the first half, but Mr John Wardle, the chairman, yesterday warned shareholders to expect low dividend payments.

In the six months to end-September, pre-tax profits were £1.69m, compared with £1.62m, on turnover down from £37.1m to £35.4m. Fully diluted earnings per share came out at 1.5p (1.45p).

However, apart from the 4 per cent profit increase, there is, Mr Wardle said, "very little other good news to communicate."

As "a precautionary measure", Hampson is cutting back its interim dividend from 0.6p to 0.4p. "As the interim dividend is only slightly over a quarter of the total dividends paid for the last two years, this should be taken as an indication that a maintained final dividend can by no means be taken for granted," Mr Wardle said.

Last September, announcing a final 1991-92 dividend of

1.773p, Mr Wardle said that this year the dividend would not be cut.

The change in policy stems from determination to build up retained profits. This is related to the need for more investment, especially in Hampson's precision engineering business.

Precision engineering's contribution to group operating profits has climbed to 80 per cent from 46 per cent at the end of the 1990-91 financial year. The strength of the business, where there is a record order book for aircraft maintenance, has led to the need for improved production facilities.

Hampson's problems, which have contributed to the caution on dividend policy, relate rather to the other parts of the business.

The sterling devaluation gave margins in the furniture business a wounding blow because of the use of imported supplies: the pain will not be eased until the products have been redesigned and their materials re-sourced.

Double-glazing activities, given the depression in the construction industry, are at best sluggish. Aluminium prices have been low, but they improved in the second half.

## Lloyds Abbey Life increases new UK life business by 6%

By John Authers

LOYD'S ABBEY Life, the life assurance group, yesterday announced a 6 per cent increase in new UK life business for 1992.

However, trends for its two trading arms varied widely. Black Horse Financial Services, the "bankassurance" arm which sells only to customers of Lloyds Bank, saw an increase of 7 per cent to £68m in regular premiums and of 34 per cent to £71m in single premiums.

That was equivalent to a 19 per cent rise, taking the standard industry yardstick of adding full regular premium business to 10 per cent of life premiums.

In contrast, Abbey Life Assurance, which distributes most of its products via a direct sales force, saw regular premium business fall by 11 per cent to £82.5m and single premiums rise by only 8 per cent to £289.5m. Using the adjusted new business yard-

stick, that was equivalent to a fall of 6 per cent compared with 1991.

The Abbey Life sales force fell from 3,607 to 3,200. Black Horse's sales force expanded slightly to 1,005.

Mr Stephen Maran, chief executive, said the low regular premium figures were caused by low consumer confidence, particularly in the second half. Redundancy pay-outs and early retirements had helped to boost single premium business.

He added: "Banks selling assurance, with relatively strong branding and a customer relationship in place, are always going to have a head start with the customer."

Nonetheless, he was confident that Abbey Life, with its strong distribution power, would survive. He suggested that the increased market share for bank assurance would be at the expense of small companies operating through independent brokers, rather than large direct sales forces.

## Birkdale falls £494,000 into red and buys 80% stake in consultancy

By Gary Mead, Marketing Correspondent

THE BIRKDALE group, which runs a range of marketing, advertising and public relations agencies, incurred a pre-tax loss of £494,000 for the six months ended September 30.

That compared with profits of £24,000 previously and was struck from turnover down almost 10 per cent to £9.5m.

Losses per share emerged at 2.9p (earnings of 0.5p). The group's net average debt currently stands at £1m.

The fall in turnover was largely in line with the results across most of the advertising and marketing sector, as the recession hit budgets everywhere.

Mr Neil McClure, managing director, said that far from losing clients the group had in fact gained new business, with prestigious accounts from British Airways (for its international recruitment advertising), Cunard, Cadbury and elsewhere.

However, the recession meant that existing and new clients had tightened all budgets, including marketing.

"At the moment we can see some signs of a recovery but all we can say so far is that 1993 is not going to be worse than 1992," he added.

The group had cut staff levels by about 9 per cent to 270 in the past six months and board directors had taken pay cuts of 20 per cent. Mr Richard Humphreys, chief executive, takes no salary from the group.

Mr McClure said that the group's emphasis had been on maintaining itself in good financial and creative shape in order to take advantage of the recovery, when it arrives.

He also reported the acquisition by Birkdale of 80 per cent of the shares of MSL, the London-based marketing consultancy, for a maximum consideration of £365,000, financed by Birkdale shares and a one-year deferred payment.

## BOARD MEETINGS

FUTURE DATES	
Interim	Feb. 11
Annual	Jan. 29
Dividend	Jan. 29
Wood (John D)	Jan. 29
Interim	Feb. 22
Annual	Jan. 29
Dividend	Jan. 29
Wood (John D)	Jan. 29
Interim	Feb. 22
Annual	Jan. 29
Dividend	Jan. 29
Wood (John D)	Jan. 29

## NEWS DIGEST

## Neotronics ahead of forecasts

NEOTRONICS Technology, a maker of specialist gas and water analysis equipment, raised pre-tax profits by 18 per cent, from £2.6m to £3.0m, in the year to September 30, writes Matthew Curtin.

The outcome was ahead of market expectations and the shares rose 8p to 161p.

Turnover jumped to £19.3m (£16.1m) with higher sales in the US, EC and Australia driven by legislation demanding tighter environmental and safety standards in industry.

Operating profits were £3.12m (£2.65m).

Mr Paul Goley, chairman, said the results were underpinned by emphasis on research and development - spending on which increased from £1m to £1.37m.

He said the greatest longer-term potential lay with Solomat Instrumentation, the group's water quality analysis subsidiary acquired in January last year.

The re-organisation and integration of Solomat was complete, and although regulations controlling the water industry worldwide were still in their infancy, new legislation in the EC and US would spur demand for Solomat's products.

Earnings per share improved from 7.56p to 7.65p and the proposed final dividend is increased to 1.75p making a 2.6p (2.52p) total.

## Kleen-e-ze settlement

Kleen-e-ze Holdings has agreed a settlement with Fanfare Electronics in respect of an alleged breach of an agreement by one of its subsidiaries.

The settlement involves the purchase of stock valued at some £250,000 which will be paid for over three years. The settlement was provided for in Kleen-e-ze's accounts for the 1991-92 year.

Fanfare had claimed £1.3m together with interest and costs.

## IAWS acquires outlet in UK

Fish Industries, a subsidiary of USM-quoted IAWS Group, the Dublin-based fish meal and fish oil producer, has moved into the UK market through the purchase of the assets and goodwill of HBP.

Full-based HBP processes, markets and distributes over 30,000 tonnes of fish meal annually to the animal feed and fish feed trade in the UK.

## Coats given option on Youghal shares

Coats Viyella, the textiles group, has been granted an option to purchase Jaykeel Investments' holding of 8.68m shares in Youghal Carpets, which represents a stake of 18 per cent. The option, at 3p a share, can be exercised at any time in the next six months.

## Aspen issue to raise £1.1m

Aspen Communications, the USM-quoted provider of communication products and services, is proposing to raise £1.1m net via the issue of

646,473 new ordinary shares at 173p each.

Aspen shares were unchanged at 180p.

The proceeds of the issue will enable the group to accelerate certain investment projects so as to take early advantage of any upturn in the UK economy.

The issue is underwritten by NatWest Wood Mackenzie. The brokers have agreed to place the shares with a number of institutions.

## First Spanish net asset value lower

A sudden downturn in the property and construction sectors at a time when those sectors had been over-weighted in its portfolio left net asset value at First Spanish Investment Trust at 67.5p at November 30.

That represented a fall of 14 per cent from the 78.6p of six months earlier. At November 30 1991 nav was 72.5p.

The company said that with the assets at a more competitive level the assets for the Spanish stock market, which was undervalued compared with other European markets, appeared favourable.

Net revenue for the six months to the end of November was £293,000 (£270,000) for earnings per share of 0.83p (0.76p).

The main objective of the trust is capital appreciation and no interim dividend will be paid. However, it intended to propose a final dividend for the year to May 31, the first payment since that for the 1989-90 year.

## COMPANY NEWS IN BRIEF

SW FACT is to pay £50,000 for the business carried on by Exceptional Projects under the name London School of Accountancy.

LEARMONTH & Burchett Management Systems: acceptance in respect of the recent 1-for-4 rights represented a take-up of 96.85 per cent, or 2.35m shares.

MERRYDOWN WINE: recent

open offer accepted by qualifying shareholders in respect of 2.58m shares (94.4 per cent). Balance of 152,637 shares allotted at 205p apiece to institutions.

TVS Entertainment: offer from International Family Entertainment accepted in respect of 62.4m ordinary shares (90.1 per cent) and 27.2m (£4.7 per share) preference shares. In total IFE

owns or has valid acceptances totalling 96.5 per cent of TVS voting rights. The ordinary offer remains open until further notice while the offer for the preference shares remains open for acceptance until January 27.

USHER-WALKER: recommended offer by Sun Chemical accepted in respect of 8.27m shares (94.35 per cent). There

was a 100 per cent acceptance for the preference capital. Ordinary offer remains open until further notice.

VINTEN has acquired Internet, a videoconferencing company, for a maximum of £2.5m in cash. The final figure will depend on profits for 1992 and whether net assets at the end of the period are less than £1.9m.

With the facts at your fingertips, there's no limit to what you can achieve

At the touch of a button, you have instant access to vital business information from respected sources - without leaving your desk.

All you need is a PC, a telephone line and access to FT PROFILE.

FT PROFILE is an online database of some of the world's leading media that you can search to pinpoint the vital facts you need - on key people, companies, competitors and potential markets - within seconds.

Armed with this information, you'll be able to make the right decisions ahead of the competition.

To get your hands on this valuable source of business information, just complete and return the coupon below and if you can't wait, call us now on 0932 761444.

I would like all the information at my fingertips. Please send me more details on FT PROFILE.

NAME \_\_\_\_\_  
JOB TITLE \_\_\_\_\_  
COMPANY \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
POSTCODE \_\_\_\_\_

TELEPHONE \_\_\_\_\_  
NATURE OF BUSINESS \_\_\_\_\_  
No. of employees ☐ under 50 ☐ 50-100 ☐ 100+ ☐ I already use online ☐ Yes ☐ No

FT PROFILE, PO Box 12, Sunbury-on-Thames, Middlesex TW16 7UD. Tel 0932 761444.

FT PROFILE  
BUSINESS INFORMATION

## INTERNATIONAL TAXATION

The FT proposes to publish this survey on February 18 1993.

Should you be interested in acquiring more information about this survey or wish to advertise in this feature, please contact: Sara Mason  
Tel: 071-873 3349  
Fax: 071-873 3064

FT SURVEYS

MORE INFORMATION AT YOUR FINGERTIPS  
The NEW Futures Page now updates even more Currencies, Indices, Futures and Interest Rates every 2 minutes, 24 hours a day.  
Call 071-895 9400 now for your free trial.

FUTURES PAGER



## RECRUITMENT

# JOB: If managers can't accentuate the positive, they could at least try eliminating the negative

## We have ways of turning you off

ALTHOUGH doubtless still full of zest, you readers will mostly be old enough to have forgotten how it felt to leave your teenage years behind. So you are unlikely to remember the anxiety about impending adulthood, which—mingled with pride, of course—the Jobs column feels on passing its 20th birthday.

Fortunately my confidence received a boost during a visit to Ivan Robertson, Professor of Occupational Psychology at the University of Manchester Institute of Science and Technology. He reported that, while watching his young son playing football, he'd been approached by another spectating dad who'd handed him a strip of pink paper and urged him to read it there and then. "It turned out to be one of your articles," the professor intoned, as though he were recounting some inexplicable dream.

Even so, a column surely can't be all that bad if it gets handled about at football matches. And if the clearly most intelligent but alas unnamed dad in question is ever in the FT's vicinity, I owe him several drinks.

My reason for calling on Ivan Robertson was that among the things on which he's an authority is a subject that has proved of

keen interest to readers down the years: people's motivation to work. Indeed, he is the leading author of the book\* on the topic published by Britain's Institute of Personnel Management.

As the book makes clear, expert views on motivation have changed since this column's babyhood. Two decades back, there was an optimistic belief abroad that all human beings will become well motivated if their jobs are properly designed. So provided that organisations set up the jobs appropriately—by "enriching" them with suitable challenges, for example—every-one who came to work for them would have high motivation.

That pleasant notion has now given way to a more pessimistic view. It is that far from being alike in capacity, some people are intrinsically and perhaps even genetically more motivated than others, and so put greater effort into anything they are called upon to do. Hence there is no

\*Motivation: strategies, theory and practice. £11.95.

"universal motivator" in the sense of a formula for galvanising the whole of a workforce.

On hearing of the changed view, however, the Jobs column recalled the logician's gag about the converse not necessarily applying, enshrined by Lewis Carroll's immortal dromouse's dictum that although he breathes when he sleeps, it's not true that he sleeps when he breathes.

By the same token, the fact that companies have no way to turn everyone on, needn't mean they have no ways of turning everyone off. So I asked Professor Robertson whether there might be any universal de-motivators.

On reflection, he replied he could think of several. For a start, since research has shown that people need to know their efforts are paying off in terms of expected results, one good off-turner would be to give them no feedback. Even better might be to provide feedback, but scramble it so the links between effort and rewards appear entirely random.

The same end would be served by work-goals that are vague, if

not downright contradictory, especially if imposed from on high without explanation, let alone consultation.

Still further potential lay in arbitrary controls, he went on, as exemplified by management reacting to an obviously isolated incident by clapping a permanent straitjacket on everybody. I rejoined that a case in point had happened at an army training camp miles from anywhere in the days of national service.

Then a 48-hour leave came up, one recruit who lived too far away to get home was left all alone with nothing to do. So he scraped the black enamel off his iron bedstead and polished the metal until it shone like silver. It so impressed the commanding officer that he ordered the whole camp to do likewise. Thereafter, the pioneer polisher spent all his free time climbing out of the emergency water supply tank only to be thrown back in by the next set of waiting squaddies.

Ivan Robertson felt that the commandant had missed a trick. A truly skilled demotivator would

have promoted the pioneer to sergeant-major. "But seriously," he added, "once you think about ways of turning everyone off, you suddenly realise what an awful lot of managers use them."

NOW to the table below which sheds some light on a query often posed by people considering going to work overseas— "if I went abroad, how much would it cost to keep up the same living standard for the family?"

The figures are provided by the Employment Conditions Abroad consultancy which keeps

check on pay-rates and cost-levels in more than 150 countries. Since I have room for only nine of them, however, anyone wanting information on the others will need to contact Barry Rodin, ECA at 15 Britten St, London SW3 3TY; telephone (071) 351 7151, fax (071) 351 8996.

The pattern for the exercise is a middle management job, such as the head of marketing in a medium sized company. Taking managers of that kind from each of the nine countries covered, the table shows their typical gross salary and outlays at home, and

the cost of keeping up the same buying habits in the other eight lands. The cost figures relate solely to spending on consumer-type goods and services, no account being taken of housing.

Other currencies have been converted to sterling at the exchange rates prevailing at the close of London markets last Friday night. The ranking of the countries is determined by how much their native executive spends when based at home.

By that yardstick, the Swiss with £19,721 worth of purchases make the Brits with £11,232 look relatively cheese-paring, although the Dutch and Australians are thrifter still.

Michael Dixon

Nationality of mid-rank manager*	Gross salary in home land	Cost of keeping up home-country pattern of spending on consumer goods when in-	United Kingdom	United States	Switzerland	Netherlands	Germany	France	Australia	Singapore	Hong Kong
Swiss	74,248	£	13,779	14,180	19,721	15,630	17,893	17,321	12,908	16,690	16,778
Hong Kong	52,822	£	13,308	20,295	31,016	22,094	24,643	25,390	17,750	19,385	17,717
German	68,888	£	13,067	13,459	20,204	14,819	15,804	17,023	12,246	15,836	15,913
French	52,744	£	13,162	13,495	20,496	14,968	16,575	15,537	12,187	15,138	15,571
Singaporean	47,480	£	17,276	17,183	26,198	19,751	21,674	22,108	15,403	13,939	18,128
American	57,026	£	16,189	13,793	24,187	18,892	20,398	20,652	14,163	17,444	18,441
British	36,600	£	11,232	13,174	20,425	14,637	16,837	16,888	11,983	17,042	18,604
Dutch	47,711	£	9,234	9,787	14,883	9,788	12,197	12,312	8,780	11,437	11,288
Australian	32,591	£	11,286	11,061	17,132	12,758	14,111	14,241	9,216	13,318	13,171

\* Responsible for function such as marketing in medium-sized company.

## Opportunities in Emerging Markets and Derivatives

During the past twelve months our client, a U.K. based bank, has enjoyed considerable growth and development in business, personnel and market profile. The broad infrastructure of the bank is now in place and the next phase is focused on the refinement of individual product areas. In particular the bank is looking to develop derivative activities in several niche markets.

### Emerging Markets

**Debt Derivatives:** Attached to the Emerging Markets trading team the successful candidate will develop and run a derivative trading book in this fast developing field. Traders experienced in capital markets and interest rate derivatives are the preferred candidates.

**Equity Derivatives:** Opportunities in the emerging equity markets will be pursued in conjunction with further development of existing equity arbitrage books. Experience in mainstream equity derivatives is essential.

**Distribution:** The bank is looking to develop a distribution capability covering emerging markets and other high yielding investment products. Our client is interested in candidates who feel they can contribute to, or lead, the development of this capability and the required product forms.

### Derivative Markets

**Commodities:** The bank's client base includes a number of large mining groups. To develop this and other opportunities candidates are sought with experience in developing and trading both OTC and exchange traded commodity derivative books.

**Interest Rates:** Our client seeks a trader experienced in European markets with the ability to create and structure products for investors. The candidate will be computer literate and able to satisfy managers as to the reliability of models developed. In addition he or she will be expected to develop the client base in Europe and the Middle East. Fluency in at least one European language is essential.

Candidates will probably be in their twenties to early thirties and highly analytical. Traders will have a consistent track record in profit generation from risk controlled trading. The new recruits will be offered considerable latitude in dealing style and will be expected to make a significant contribution to the desk from the outset both in trading terms and "value-added" ideas. In addition to competitive basic salaries there is an excellent bonus scheme and the usual banking benefits.

Interested candidates should write to Nick Bennett at BBM Associates Ltd (Consultants in Recruitment), sending their CV to the address below, or use our confidential fax line on 071-248 2814. Please include a daytime telephone number. Strictest confidence guaranteed.

76, Watling Street, London EC4M 9BJ

**BBM**  
ASSOCIATES

Tel: 071-248 3653 Fax: 071-248 2814



## PENSION FUND MARKETING

Based in the City of London

Sun Life Investment Management Services Limited (the fund management subsidiary of the Sun Life Group) has shown outstanding growth in recent years:

Total Funds under management (£m)

1981	£1,107
1986	£3,146
1988	£5,075
1992	£9,104

We are seeking to expand our share of the group pension fund investment market and wish to recruit a highly motivated professional to join the existing marketing team where they will be expected to become a major contributor to achieving success.

In this important role the successful applicant will be closely involved with our fund managers in order that he or she can report in detail to existing clients, make presentations to potential new clients and build on our established relationships with the major intermediaries.

Applicants should have a sound knowledge of investments, preferably with experience in the investment management industry. Awareness of the UK pension fund market place is also essential. The preferred age range is 27 - 35. The total benefits package offered for this role will reflect the importance of the position.

Please apply with full C.V. to TONY SPARLING, SUN LIFE INVESTMENT MANAGEMENT SERVICES LIMITED, 107 CHEAPSIDE, LONDON, EC2V 6DU.

Sun Life offers equal opportunities in employment and welcomes applications from suitably qualified people regardless of sex, marital status, ethnic origin or disability.

### ACCOUNT OFFICERS

to £30,000 + Excellent Benefits

Providing excellent banking services for top quality customers

Société Générale, rated as one of the top ten European banks, is a prime relationship bank with a strong and established corporate base and a presence in London for over 120 years. As Account Officer, your primary role will be the development of client relations. With your own portfolio you will identify and market a full range of banking products, prepare credit proposals and loan documentation.

Successful candidates will be bankers educated to degree level with strong credit/marketing skills and may have experience with clients in the Retail, Electrical, Chemical, Engineering and Construction sectors.

Please contact Trevor Robinson or Helen Hight at Jonathan Wren & Co. Limited, Financial Recruitment Consultants No. 1 New Street, London EC2M 4TP Telephone 071-623 1266 Facsimile 071-626 5258



## CROSBY SECURITIES

Headquartered in Hong Kong, Crosby Securities is one of the leading institutional stockbroking specialists in the Asian region. Renowned for its high quality research, it has been successful in establishing a strong presence in a variety of countries in the region.

Crosby's network now includes its two operational headquarters in Hong Kong and Singapore, sales offices in Tokyo, London and New York and research and/or dealing operations in Bangkok, Kuala Lumpur, Jakarta, Beijing, Shanghai and Colombo.

One of Crosby Securities' strengths continues to be its management structure with managers and employees owning a controlling stake in the business. In addition, Crosby benefits from having a significant minority shareholder in the Société Générale banking group, which is one of the 20 largest banking groups in the world.

As a result of Crosby's continued expansion of its business, which has included the establishment of three new offices recently, the group is looking to fill a number of key positions as follows:

**Investment Analyst - Hong Kong.** Preferably a U.K. or U.S. trained analyst who wishes to use his skills in Hong Kong and one or two surrounding countries.

**Corporate Finance - Hong Kong/Singapore.** A corporate finance professional to develop business opportunities in the region.

**Mandarin Speaking Analyst - Hong Kong/China.** An analyst with some experience to develop China research - initially to be based out of Hong Kong.

**Sales - London.** An experienced sales person (preferably fluent in one or more continental languages) to further strengthen Crosby's strongest sales office.

**Research Manager - Asia.** A proven research professional who wants to have the opportunity of managing a research office.

For those wishing to discuss the positions in more detail, please contact any of the following main board directors:

Bruce Darrington, Hong Kong	Tel: (852) 8-444-988
Dennis Siu, Singapore	Tel: (65) 3-222-333/225 8585
Michael Hanson-Lawson, London	Tel: (4471) 404 9888
Simon Thompson, New York	Tel: (212) 593 5959

**CROSBY SECURITIES**  
A LEADING FORCE IN ASIAN STOCKBROKING

## Acquisitions Monthly

The leading M & A magazine in Europe wishes to recruit experienced trainers for our expanding number of M & A courses in the following areas:

\* Negotiating Skills \* Buying & Selling companies  
\* Management Buyouts \* Corporate Finance

Please send your CV and references to: Anne Avidon, Conference Manager, Acquisitions Monthly Conferences 11 Gloucester Road, London SW7 4PP

## Acquisition Finance Analyst

Highly competitive salary + benefits

For further details, please contact Pascale Butcher or Julie Byford on (071) 353 0073 (day) or (081) 740 9934 (evenings & weekends) or send your cv in complete confidence to 16-18 New Bridge Street, London EC4V 6AU. Fax (071) 353 3908.

A superb opportunity has arisen for a high flier to join the management team of the first European mezzanine fund.

You will be involved in the analysis of new deals and the monitoring of existing investments in the UK and throughout Europe.

As a self starter in this compact, dynamic and innovative group, you must be able to show initiative and flexibility. You will have a high level of responsibility and to succeed in this role you must demonstrate:

- A degree in a numerate discipline, ideally maths or accounting (minimum 2:1).
- At least 3 years experience with a financing institution or accountancy firm.
- Preferably a track record within acquisition finance or management buyouts.
- A very high level of computer literacy.
- Strong communication skills.
- Aged between 24 and 27.

Prospects within this expanding team are excellent.

**BADENOCH & CLARK**  
recruitment specialists

## Capital Markets Analyst

c£28,000 + benefits + bonus

For further details, please contact Julie Byford or Pascale Butcher on (071) 353 0073 (day) or (081) 779 5376 (evenings & weekends) or send your cv in complete confidence to 16-18 New Bridge Street, London EC4V 6AU. Fax (071) 353 3908.

Continued development and expansion of the Treasury operation of one of the world's largest banking groups has created this excellent opportunity.

Reporting to the Head of Marketing in the Treasury Division your initial brief is to analyse and evaluate international capital markets. You will develop marketing resources and recommend new funding sources thereby improving penetration of wholesale funding markets, particularly in the USA.

The successful candidate will be an enthusiastic self starter capable of providing the highest quality support to the marketing team and be able to satisfy the following criteria:

- Aged 25-30 with a minimum of 2 years experience of analysing capital markets and related areas eg. from the Fixed Income division of an investment bank.
- A graduate (economics/finance discipline) with computer literacy.
- Strong communication skills - both written and oral.
- Knowledge of US funding markets would be a distinct advantage.

With proven success within this expanding team the prospects for greater marketing responsibility are excellent.

**BADENOCH & CLARK**  
recruitment specialists

## Manager Corporate Account Management

The Investment Banking Division of the Canadian Imperial Bank of Commerce seeks a Manager to join its expanding Corporate Account Management team. The CIBC group is one of the largest North American Banks and operates in many of the world's major financial centres providing a broad range of financial products and services. The principle activities in Europe include Treasury Products, Investment and Corporate Banking. Through our subsidiary, Wood Gundy Inc., we are active in Fixed Income, Equities and the Swaps Markets.

The Corporate Account Management team is responsible for managing the counterparty risk for the trading floors in London. The Manager's principal responsibilities will be to develop business opportunities with the traders for a portfolio of clients, make credit assessments and recommendations and manage the counterparty relationship as appropriate. Experience of secondary financial institutions (including insurance companies, fund managers and investment trusts) would be highly desirable.

Applicants for this excellent career opportunity are sought who have several years' banking experience, with particular emphasis on credit skills and are preferably American bank credit trained. The successful candidate will ideally be a graduate with a good knowledge of treasury products and derivatives. Strong communications and interpersonal skills are essential, as is computer literacy, for this challenging and rewarding opportunity.

An excellent salary package with all the usual banking benefits, including mortgage subsidy, will be offered. Please write, enclosing your CV and details of your current package to Sarah Scott, Human Resources, Canadian Imperial Bank of Commerce, Cottons Centre, Cottons Lane, London SE1 2QL.



**Canadian Imperial Bank of Commerce**

مكتبة من الأعمال



## TOP OPPORTUNITIES

### SENIOR POSITIONS IN GENERAL MANAGEMENT



## Chief Executive

c £100,000

London

The Commonwealth Development Corporation (CDC) assists overseas countries in developing their economies by carrying out projects for the promotion or expansion of new and existing enterprises, primarily in the private sector. A public corporation, CDC fulfils its role by providing long-term finance in the form of loans and risk capital; by managing companies; and by providing a range of ancillary services. At the end of 1992, CDC had investments totalling over £1.4 billion in some 50 countries. CDC operates consistently in surplus.

The Chief Executive, John Eccles CBE, is due to retire in April 1994 and an able and accomplished candidate is now sought to succeed him.

Heading a highly committed and experienced team, the new Chief Executive would continue building on CDC's success to date fostering the consistent growth in investment

programmes, as well as the profitable realisation and recycling of assets. A key objective will be promoting CDC's role in less developed countries. Frequent overseas travel will be necessary.

CDC now invites applications for this challenging, high profile position from senior, respected figures from industry, commerce or finance who have had significant management responsibility. Exceptional leadership, interpersonal and strategic skills are essential. A background in investment capital, overseas project finance, investment management and appraisal, would be desirable. Experience of relations with the public sector in the UK or overseas would be an advantage. The ideal age range is 45-55.

Applicants should write, enclosing a detailed CV, to Sir Peter Leslie, Chairman, CDC, One Bessborough Gardens, London SW1V 2JQ, marked "Private and Confidential (CE)".

## CHIEF EXECUTIVE



To bring added commercial bite and man-management strength to the successful direction of this major copyright society

c. £100,000, bonus + excellent benefit package

Central London

The Performing Right Society ensures that composers and music publishers receive payment for the public performance and broadcasting of their works. Representing over 25,000 members, with eight hundred employees and a revenue approaching £150 million, it is the UK's largest copyright administration society and a leading player internationally. The elected General Council develops overall policy and the Chief Executive works closely with the Chairman to ensure its effective implementation. The Society has operated successfully for decades, but there remains scope for further development, in corporate culture, management style and commercial awareness. We are looking for a hands-on, no-nonsense Chief Executive, a radical thinker with the ability to instigate and then manage change. Our ideal candidate will be a business professional of the highest calibre, a leader who understands the dynamic of the team and a first class communicator, comfortable in international negotiation. We take a high level of intellect for granted, but it must involve the mastery of the management of detail at least as much as the grand vision. The most likely background is the service sector, in a position heavily slanted towards people and finance management. IT literacy is a prerequisite, while expertise would be a bonus, as would an understanding of copyright law and the world of music. Above all, we will be looking for proven success in an Chief Executive role: this is not a job for a brilliant young Director whose MD talent is not yet proven - but nor is it a prestigious retirement home for an elder statesman. Please send full career details, quoting reference WE 2126, to Terry Ward, Ward Executive Limited, 4-6 George Street, Richmond-upon-Thames, Surrey TW9 1JY.

WARD EXECUTIVE

LIMITED

Executive Search &amp; Selection

## OPERATIONS MANAGER

PEPs

The investment arm of this major financial institution provides a broad range of products, and is a leading supplier of PEPs. This area has grown rapidly, is earmarked for further expansion and makes a significant contribution to the business.

Reporting to the Head of Savings & Investment, and supported by a large team, you will be responsible for every aspect of the administration, operation and supply of a full range of Personal Equity Plans, including processing, accounting, and technical support.

Probably in your thirties and of graduate calibre, you will have at least three years experience of managing the operational functions related to PEPs, Unit Trusts or like products. You must be able to demonstrate successful management of large teams, familiarity with computer based systems, and have the energy and enthusiasm to drive the business forward.

This opportunity offers an extremely attractive reward package and remuneration will not be a limiting factor for the right candidate. Please write in confidence, to Gill Atkinson at HRS Hanover Recruitment, 28 Conduit Street, London W1R 9TA, (telephone 071-491 1875).



HANOVER

## DIocese of London



## GENERAL SECRETARY

There is a need for someone with the ability and experience to manage a large and complex organisation. Applicants must be able to demonstrate experience and skill in management, finance, administration, communication, and computers. Relevant professional qualifications will be an advantage.

THE SALARY WILL BE WITHIN THE CIVIL SERVICE ASSISTANT SECRETARY SCALE.

APPLICATION FORMS AND JOB DESCRIPTION FROM THE CHAPLAIN TO THE BISHOP OF LONDON, LONDON HOUSE, 8, BARTON STREET, LONDON SW1P 3NE

CLOSING DATE FOR APPLICATIONS 28 FEBRUARY 1993.

APPLICATIONS ARE INVITED FROM CLERGY OR PRACTISING LAY COMMUNICANTS OF THE CHURCH OF ENGLAND, MALE OR FEMALE, FOR THE POST OF GENERAL SECRETARY.

THE GENERAL SECRETARY IS A KEY PERSON IN THE DIOCESAN ORGANISATION. THE POST IS EQUIVALENT TO THAT OF A CHIEF EXECUTIVE OF A MEDIUM SIZED COMPANY. THE DIOCESE HAS A BUDGET OF £15 MILLION POUNDS PER YEAR, TOGETHER WITH EXTENSIVE PROPERTY INTERESTS. IT HAS 419 PARISHES AND OVER 550 FULL TIME STIPENDIARY CLERGY. THE DIOCESAN OFFICES WILL BE MOVING INTO NEW PURPOSE BUILT ACCOMMODATION IN THE NEXT 18 MONTHS.

THERE IS A NEED FOR SOMEONE WITH THE ABILITY AND EXPERIENCE TO MANAGE A LARGE AND COMPLEX ORGANISATION. APPLICANTS MUST BE ABLE TO DEMONSTRATE EXPERIENCE AND SKILL IN MANAGEMENT, FINANCE, ADMINISTRATION, COMMUNICATION, AND COMPUTERS. RELEVANT PROFESSIONAL QUALIFICATIONS WILL BE AN ADVANTAGE.

THE SALARY WILL BE WITHIN THE CIVIL SERVICE ASSISTANT SECRETARY SCALE.

APPLICATION FORMS AND JOB DESCRIPTION FROM THE CHAPLAIN TO THE BISHOP OF LONDON, LONDON HOUSE, 8, BARTON STREET, LONDON SW1P 3NE

CLOSING DATE FOR APPLICATIONS 28 FEBRUARY 1993.

State Street Bank and Trust Company, headquartered in Boston, MA, is flourishing in a global financial marketplace due to a unique combination of advanced information technologies and specialized banking services.

## Vice President-Securities Operations Network Management

This position, which will be based in Western Europe, requires a talented, highly motivated professional with the ability to lead a series of business initiatives focused on the quality of services purchased from other financial suppliers. Reporting to a Boston department head, you will manage our relationships with a global network of banks, focusing on service definition, quality monitoring, control and fee negotiations. We seek candidates with at least 10 years' experience in the international banking arena and a track record of building and growing account relationships. Ideal candidates will have an MBA and fluency in at least 3 European languages. Significant international travel is expected.

For immediate consideration, please submit your resume including salary requirements, to Mary Lamb, Employment Specialist, State Street Bank and Trust Company, 1776 Heritage Drive, A1N, N. Quincy, MA 02176, USA. State Street is an Equal Opportunity Employer, M/F/D/V.

We Have A Working Relationship With New England And The World.



## The Top Opportunities Section

appears every Wednesday.  
For advertising information call:  
Clare Peasnell  
071 873 4027  
Elizabeth Arthur  
071 873 3694

## BANKING FINANCE & GENERAL

## Business Analyst

A greenfield opportunity for an experienced research analyst within the marketing department of a professional firm

An exceptional opportunity has arisen within the marketing department of this major international law firm. The role of business analyst is a newly created position and offers the successful candidate a real opportunity to make a substantial impact on the business.

As a senior member of the marketing team, the incumbent will be responsible for presenting senior management with up to date and comprehensive information regarding current and potential clients including recent press comment, financial results and any economic and political factors which may affect their business levels. This analysis will then be used as an invaluable tool in supporting senior management in their day to day marketing efforts and in the preparation of a marketing strategy. Liaison with other marketing

professionals and continuing assessment of competitor activity is also envisaged.

The successful applicant is likely to be in their late 20's to mid 30's. They will have an excellent academic record and a strong background in research and financial analysis. A good understanding of the banking sector, in particular corporate finance, is a distinct advantage. Candidates will have strong organisational skills, an ability to work autonomously and be capable of independent thought. Excellent communication skills are essential, both written and oral, and this individual must possess the confidence and maturity to present their thoughts to senior management. An enquiring and open mind, commercial outlook and an enthusiastic approach are key attributes for this challenging opportunity.

If you wish to be considered for this role, please write, enclosing a detailed CV to Jane Hayes or Edward Walsh at BBM Associates Ltd (Consultants in Recruitment), 76 Watling Street, London EC4M 9BJ. All applications will be treated in the strictest confidence.

76, Watling Street, London EC4M 9BJ



Tel: 071-248 3653 Fax: 071-248 2814

## Morgan Grenfell Asia Securities (HK) Limited

A leading S.E. Asian-based securities company seeks to fill the following position in its Hong Kong office.

## DERIVATIVES ANALYST

Experienced analyst with particular specialisation in the establishment and maintenance of index arbitrage and options pricing systems gained from exposure to the world's leading markets. Must have statistics or computing-based degree and spent at least three years working for a leading US or European securities company.

Please write, enclosing a current curriculum vitae, together with expected salary, to: Thomas Wong, Ref: KHS, Morgan Grenfell Asia Securities (HK) Ltd., 13/F, 9 Queen's Road Central, Hong Kong



Lancashire Enterprises plc, the economic development consultancy with a growing international reputation, is looking to strengthen its specialist venture capital management team. The company is growth orientated, highly successful, has a growing network of branch offices across Europe and 300 employees. A broad range of consultancy and management services is provided to a blue chip client base. The Investment Management Division manages five regional UK venture capital funds, a European joint venture fund and undertakes related consultancy and training.

## EUROPEAN VENTURE CAPITAL FINANCIAL CONSULTANT

c. £25 - 30k + benefits

We seek a consultant to fill this new position reporting to the Head of Financial Consultancy. The successful applicant will be involved in consultancy and training in venture capital, fund management, business planning and related financial activities. Based in Preston, the job will involve working for clients on location in Central and Eastern Europe.

Applicants should have the ability to work well in a team and with clients, a financial background and venture capital experience. A relevant second language would be an advantage. Training will be provided when necessary.

To apply, please write, prior to 21 January, with a full cv, to:

Richard Bamford • Director of Corporate Investment  
Lancashire Enterprises plc • Enterprise House  
17 Ribblesdale Place • Preston PR1 3NA

## CORPORATE TREASURY

### Cash & Banking Manager Risk Manager

Our client is a leading multi-national manufacturing company with an annual turnover in excess of \$2 billion. Following a recent restructuring, their treasury function has been expanded. As a result, opportunities exist for several treasury specialists with varying degrees of experience.

A senior position exists for a Cash and Banking Manager. This position requires a degree or professional qualifications and a strong accounting and computer systems background, along with at least five years experience in a similar role at a major UK or international company.

A senior position also exists for a Risk Manager. The individual will have substantial experience identifying and managing interest rate and currency risk for a major company or possibly bank and familiarity with a full range of cash and derivative instruments.

Various other positions exist for candidates with at least two years experience in accounting and corporate treasury controls and procedures.

For an initial discussion in confidence please contact us quoting reference no: 509, at 20 Cousin Lane, London EC4R 3TE. Tel: 071-236 7307 or Fax: 071-489 1130.

## STEPHENS SELECTION



**OFF-BALANCE SHEET** £50,000  
Well established, leading participant in the Money Market requires a dynamic professional with extensive experience in risk management. The role will involve trading, hedging and arbitraging via FRA's, Financial Futures and Short Swaps. Candidates should be computer literate and conversant in various packages & systems.

**SPOT F.X.** £70,000  
Active trading bank is seeking a dealer aged 35 to 35 with 3 years current experience of trading Spot Majors or Crosses on a proprietary/intrabank basis. Sound profits record at a recognized market participant is essential. Significant benefits apply.

**CORPORATE** £45,000  
Degree educated corporate dealer is sought by a leading European bank to enhance the customer driven strategy of its Treasury group, marketing the full range of F.X. and Money Market products to a varied portfolio of clients. About 4 years experience in a similar capacity on an established desk and fluency in French or German are desirable.

**SPOT F.X.** £40,000  
Growth of the Treasury division of a top US bank has resulted in the need for a talented F.X. dealer to play a major role in the development of its interbank Spot team. Candidates aged 25-35 will have gained 2 to 3 years experience in cross currencies with an impressive trading record to date.

## FOREX Selection

Treasury Recruitment

Please call Jane Hampton or write in confidence quoting ref: JH1710.  
Tel: 071-369 0369.  
36 Cornhill,  
London, EC3V 3PD.



To £50,000 +  
bonus + benefits

Leading Asset Management Firm

London

## Fund Manager - East Asia

New position for bright, talented fund manager or stockbroking analyst to join this prestigious firm and concentrate on one of the most exciting emerging market regions. The firm has seen exceptional growth in assets with over £7 billion under management and boasts high rankings across equities and fixed income. The company has a clear investment philosophy based on company fundamentals and the long term view. The firm offers excellent career prospects.

### THE ROLE

■ Manage funds for specific East Asia accounts, contributing to the stock selection and regional asset allocation process, reporting to the desk head.

■ Build an in-depth knowledge of companies and countries in the region, assessing the potential for investment through regular company visits and fundamental analysis.

■ Contribute to the marketing of the firm's investment expertise in the East Asia markets, making presentations to new and existing clients.

### THE QUALIFICATIONS

■ High calibre graduate with demonstrable career progression in the investment industry and at least three years' experience of the East Asia equity markets as a fund manager or analyst. Experience of living in the region and relevant language skills an advantage.

■ Acute financial skills with a proven record of thorough company analysis. Able to apply commercial awareness to investment decisions.

■ Personal impact with the stature and credibility to win client confidence. A disciplined, practical approach combined with an enthusiasm for the region.

London 071 973 0889  
Manchester 061 437 0375

**Selector Europe**  
A Spencer Stuart Company

Please reply, enclosing full details, to:  
Selector Europe, Ref. F7046013L,  
16 Connaught Place,  
London W2 2ED

To £80,000  
plus benefits

Private Investment Company

London

## Chief Executive

An unusual opportunity to lead a team of specialists managing a group of substantial, diverse investments in the UK and overseas. Investments include equities, gilts, property, trusts, operating companies and new ventures. Creative strategic thinking and an ability to identify and develop attractive new opportunities will be essential.

### THE ROLE

■ Full responsibility for the management of the company and its investments.

■ Developing new strategies for investment. Maximising shareholder returns and company performance.

■ Appoint and maintain capable management teams both in the holding company and in the investee companies.

### THE QUALIFICATIONS

■ Successful delivery of sophisticated financial advice across a broad range of investments. Familiar with managing intermediaries in investment banking, fund and currency management, taxation consultancy and legal practice.

■ Strong financial judgement and awareness, likely to be trained either as an investment banker or as a finance director, but could be a professional accountant or solicitor, ideally with personal trust experience.

■ Approachable, realistic and able to work closely with major shareholders. Diplomatic yet resolute. Demonstrable wisdom, maturity and strength of character. Well developed social skills.

London 071 493 1238  
Manchester 061 499 1700

**Selector Europe**  
A Spencer Stuart Company

Please reply, enclosing full details, to:  
Selector Europe, Ref. S5045013L,  
16 Connaught Place,  
London W2 2ED

# EATON

## MANAGER - TREASURY CENTRE

MULTINATIONAL TREASURY ENVIRONMENT

ATTRACTIVE SALARY AND  
BENEFITS PACKAGE

Eaton Corporation is a \$4 billion global manufacturer of vehicle powertrain components and a broad variety of controls serving transportation, industrial, commercial, aerospace and military markets. The company is committed to expanding further its presence in Europe.

A career opportunity has arisen for a professional Treasury Manager to assist in the development of a European Treasury Centre. Based at the Company's European Headquarters near Heathrow, the job holder reports to the Treasury Manager - Europe and will work within a well established treasury department. The role encompasses the following responsibilities:

- Development of the company's foreign currency liquidity and exposure management within the framework of a centralised currency pooling system
- Management of the company's multinational clearing system
- Enhancement of computerised treasury management systems.

Applicants will be graduates with an appropriate professional qualification and a minimum of two years experience in a multinational treasury environment. The position demands an innovative and resourceful professional with an international business perspective and experience in computerised systems.

The position attracts a competitive salary and benefits package, which includes a company car and offers the opportunity for further career development in an expanding international company.

Applicants (male or female) should forward full details of career to date and current salary to:

Graham Barwell, Eaton Limited, Eaton House, Staines Road, Hounslow, Middlesex, TW4 5DX  
Telephone: 081 572 7313

# CAPITAL MARKETS PARTNER

Recognised as one of the country's top international law firms with a strong reputation across the full range of banking and financial transactions, our Client seeks a senior lawyer to play a pivotal role in the expansion of its capital markets practice.

Advising on all aspects of international securities and capital markets products including swaps, commercial paper programmes, Eurobonds, debt offerings, securitisations and derivatives, the firm seeks to appoint a lawyer with substantial relevant experience to spearhead the next stage of growth in this strategically important area of its practice.

The successful candidate will enjoy a high profile within the firm and must be able to demonstrate proven technical, management and practice development skills. Consideration will be given to a candidate with executive experience in the capital markets side of an investment bank and also to the recruitment of a small team of lawyers with the requisite skills and expertise.

Reflecting the importance of this position, a very substantial remuneration package will be offered with a view to early or immediate partnership where appropriate.

For further information in complete confidence, please contact Alistair Dougall on 071-405 6062 (071-831 0030 evenings/weekends) or write to him at Quarry Dougall Recruitment, 37-41 Bedford Row, London WC1R 4JH. Initial discussions can be held on a no names basis.

**QD**  
QUARRY DOUGALL

UNITED KINGDOM · HONG KONG · NEW ZEALAND · AUSTRALIA · USA

# CJA

RECRUITMENT CONSULTANTS GROUP

3 London Wall Buildings, London Wall, London EC2M 5PJ  
Tel: 071-588 3588 or 071-588 3576  
Fax No. 071-256 8501

Opportunity to gain valuable experience working with senior corporate financiers in a small closely-knit team on a wide range of transactions.

**CJA**

## CORPORATE FINANCE

LONDON W1

£25,000 - £33,000 + discretionary bonus

ENTREPRENEURIAL ADVISORY BOUTIQUE WITH INTERNATIONAL CONNECTIONS

Our client is a leading corporate finance "boutique" advising public and private companies in the UK and overseas. We invite applications from individuals who are likely to be graduates or equivalent, aged 24-30, with 2-3 years' practical and demanding work experience, probably gained in the financial sector. Essential qualities are intelligence, numeracy, computer literacy and commercial drive. A second European language will be useful. As the selected candidate you will work in a closely integrated team at every stage of transactions, attending meetings with clients and developing relationships. Initial salary negotiable in the range £25,000-£33,000 plus benefits, plus discretionary bonus related to profitability and individual performance. Applications in strict confidence quoting reference CF4877/FT to the Managing Director, CJA.

# Cash Management Sales

Pan European Role

US Institution

Our client is one of the leading American Cash Management institutions. A highly competitive and customer-driven global banking organisation, it is committed to finding solutions to meet customers' needs, however complex, with unprecedented consistency in both the quality and range of their products and the highest levels of service. With a customer list that is the envy of their competitors, the Cash Management group is looking for two additional sales people to intensify and extend its relationships with existing clients whilst adding new ones.

### Public Sector

We are looking for a senior banker to develop this new initiative, marketing to European public sector entities. The client base will include government agencies and some of the state run institutions and we are, therefore, looking to recruit someone with a proven track record in this sector. Cash management experience would be an advantage, but is not essential. Candidates should have at least 15 years banking experience and they will need to be fluent in at least two European languages in addition to English.

### Corporates

An experienced cash management sales person, the successful applicant will be responsible for marketing to a targeted group of key multi-national corporate clients headquartered in the UK. Likely to be in your mid 30s, you will have a proven track record in corporate banking combined with good cash management and treasury experience. As this is a pan-European role, languages, especially French, would be useful.

For both roles the successful candidates will be excellent communicators who are both sales driven and have a proven record of maintaining key relationship contacts. There will be extensive travel and we are, therefore, looking for individuals with maturity and breadth of vision to develop the business. This is an exceptional opportunity to work with a market leader in an attractive environment, where you could enjoy long term career enhancement and a generous performance orientated remuneration package.

Interested applicants should contact Ann Semple or Tim Smith on 071 831 2000 or write to them enclosing full career and salary details, at Michael Page City, Page House, 39-41 Parker Street, London WC2B 5LH.

**MP**

Michael Page City  
International Recruitment Consultants  
London Paris Amsterdam Brussels Düsseldorf Sydney

# INTEREST RATE RISK MANAGEMENT

If you have made a career out of surrounding yourself with money, you may be the professional we are looking for.

We are a fast growing multinational in the home furnishing business with approx. 95 stores in 17 countries. We source our products from some 63 countries and our annual turnover is more than USD 4 bn. We have a commitment to "create a better everyday life for the majority of people". To do this we need seasoned and business minded professionals.

That is where you come in. As part of our team in Brussels, your responsibilities will include all aspects of Interest Rate Risk Management, from monitoring and analysing positions to formulating strategies and actual trading.

To join our Treasury Team, you need to be:

- Business minded
- Independent and confident
- Open-minded
- Interested in details
- Analytical
- Able to work in a Team

We think you have minimum 4 to 5 years' practical experience within this field and that you are able to pass on some of your knowledge to your colleagues. You must have

experience in:

- IRS and currency swaps
- Futures
- FRA's
- Options

It would be an asset if you also have FX experience.

If this sounds like an opportunity you would like to invest your future in, then send your resume and salary expectations to the address below before 31st January.

Should you have any questions, please do not hesitate to contact Carsten Jorgensen or Søren Hansen at our office (phone no. +32-2-725.35.80).

N.V. IKEA Service Centre S.A.  
Leuvensesteenweg, 542/B16  
B-1930 Zaventem  
Belgium  
Attn: Maggy Jamar

**IKEA**

# Investment Management Sterling Money Markets

Our client is the international arm of one of the UK's most prestigious financial groups. They seek to appoint an experienced individual to complement the Liquidity Management team. The focus will be on the sterling money markets.

Working directly with the team Director, the individual will be responsible for:

- Management of client portfolios
- Providing investment reports to clients
- Meetings with clients
- Supervision of staff

This position offers an excellent opportunity for an individual looking to develop their skills in a specialist area with an experienced team and for a wide range of clients. Remuneration will be commensurate with knowledge and experience.

- It is essential that candidates have the following skills:
- An in-depth understanding of, and experience in, the sterling money markets
  - Knowledge of international money and bond markets
  - The ability to make independent investment decisions
  - Proven supervisory skills

Interested applicants should contact Kay Ovenden or Paul Wilson on 071 831 2000, or write to them enclosing a full curriculum vitae at Michael Page City, Page House, 39-41 Parker Street, London WC2B 5LH.

**MP**

Michael Page City  
International Recruitment Consultants  
London Paris Amsterdam Brussels Düsseldorf Sydney

مكتبة من الأعمال



## OPTIONS DERIVATIVES TRADING/SALES - LONDON

Attractive salary, bonus and benefits package

Gerald Limited, London member firm of The Gerald Group, is seeking applicants for a management position in the commodity brokerage and trading business. The position has arisen as a result of expansion of the firm's 130 strong staff.

The Gerald Group is one of the world's principal metal merchants and has approximately 800 employees in offices throughout the world including Stamford Ct., Tokyo, New York, Chicago and Lausanne. It maintains an important position in London and the United States in areas of derivative markets particularly in Foreign Exchange and Metals.

We require an individual to join our expanding London metal derivatives team in a trading/sales/management

capacity. Responsibilities will include management and control of our proprietary portfolio, the development of Option strategies with an established client base and the expansion of that client base. The successful applicant will have at least two to three years' proven successful experience in this or a closely related field such as Foreign Exchange derivatives. A thorough understanding of all types of Options, their risk assessment and experience in the management and control of a sophisticated portfolio of different currencies is essential. Strong computer literacy is a prerequisite. Metal industry experience an advantage but not essential.

This is a senior position reporting and accountable to Senior Management.

Applications with full CV's should be addressed to:

Miss N. Vernon-Browne, Personnel Manager, Gerald Limited, Europe House, World Trade Centre, St. Katharine by the Tower, London, E1 9AA  
No Agencies

## MONEY BROKER

A worldwide money broking company based in the City wishes to recruit a graduate in a business-related discipline with a minimum of two to three years' experience in money broking.

Candidates should be fluent in Japanese and English, and have experience of Japanese business culture. They will also be required to demonstrate a working knowledge of interest-rate swaps and FRAs as well as a basic understanding of spot and forward foreign exchange.

Applications, including full details of careers to date, should be sent to:  
Box No. A676  
Financial Times  
1 Southwark Bridge  
London SE1 9HL.

## BANK OF IRELAND INVESTMENT MANAGERS LIMITED

Bank of Ireland Group has a long standing and impressive track record in investment management with over £4 billion in funds under management. Our UK investment management arm provides services to pension funds, charities, corporate and private clients. Due to the continuous growth of our business, we are now seeking to fill the following new position.

### PORTFOLIO MANAGER - LONDON

Primarily responsible for managing UK client portfolios, the candidate will also be involved in the development of new business through existing and new customers.

Reporting directly to the Head of Portfolio Management, the successful candidate will have a minimum of 3 years experience in our industry. Candidates are likely to be high-calibre graduates with a track record in portfolio management. Strong communication skills, a thorough understanding of domestic and international markets and the ability to work on one's own initiative are important prerequisites.

We offer an excellent remuneration package which will be performance related and will include mortgage subsidy and other banking benefits.

Please send detailed C.V. in confidence to:  
Fred Healy, Head of Personnel,  
Bank of Ireland Investment Managers Limited,  
36 Queen Street, London EC4R 1BN.

Bank of Ireland



## RIYAD BANK

### SAUDI ARABIA

RIYAD BANK is Saudi Arabia's most prominent Bank with 170 branches in the Kingdom and offices in the UK and USA. The Bank has recently embarked on a comprehensive and ambitious automation restructuring program, and, as a result, major technology based changes are expected within the Bank's International Banking Division at its Head Office in Riyadh.

Riyadh is a rapidly developing city, with modern hotels, superb shopping centres, a variety of sports and recreational facilities, including a new golf course. Housing compounds are fully equipped with swimming pools, satellite T.V. and other recreational activities.

Applications are invited for the following position from professionals who are interested in joining and making a significant contribution to Saudi Arabia's most successful Treasury and Investment Banking Division.

### RISK MANAGER

#### JOB REQUIREMENTS:

- Strong experience in Risk Assessment, preferably in Capital Markets.
- Excellent communication skills with 'hands-on' management experience.
- Extensive experience within a banking/financial environment.

#### MAJOR RESPONSIBILITIES:

- Identify price and credit risk parameters that are utilized by the Bank to evaluate Capital Market Products and interbank counter parties.
- Co-ordination between Line Departments and generation of proposals for structuring Treasury and Investment facilities.
- Assessing and enhancing existing risk reporting systems and integrating them into the Bank's overall Automation Program Plan.

We also are seeking support for our retail banking systems program and applications are invited for the following critical position within the Domestic Banking Division.

### TRADE FINANCE PRODUCT MANAGER

#### JOB REQUIREMENTS:

- Fully conversant with all aspects of trade finance, L/Cs and L/Gs.
- Experience in the implementation of automated letters of credit systems.
- Knowledge of Arabic would be an advantage.

#### KEY RESPONSIBILITIES:

- Product Planning
- Assisting in automated L/C system upgrades.
- Promoting, supporting and increasing the utilization of trade finance automation by end to corporate customers.

We offer fully competitive benefits packages together with Tax Free Salary, Housing Compound, Medical Coverage and Annual Home Leave.

Please send your application with C.V. and details of current salary to Box A678, Financial Times, One Southwark Bridge, London SE1 9HL.

## INSTITUTIONAL RESEARCH AND SALES - ASIA

We are a leading Asian institutional equity broker, covering all that Asia's stock markets except Japan. As a result of further expansion, we are looking primarily for analysts to be located in our Asian offices and also for sales people in Asia, New York and London.

We believe that an analyst's skills, once proven in one market, are readily transferable so experience of Asia is not a pre-requisite. However, an ability to look behind or off-balance sheet, to take into account management weaknesses, market conditions and price, together with an ability to work consistently and at speed, is vital. We are not interested in occasional mega-tonnes, nor in 'in-depth' work that ignores price. It is important that the candidates have a history of regular direct client contact and adding to sales rather than theoretical publishing.

The sales candidates must have proven Asian experience and are likely to be seeking a change as a result of frustration with the bureaucracy, ignorance or lack of commerciality of their existing employers.

Applications with a full CV and any supporting documents will be treated in strictest confidence and acknowledged within three weeks.

Write to Box A673, Financial Times,  
One Southwark Bridge, London SE1 9HL

## Bloomberg

FINANCIAL MARKETS

## Sales - Financial Markets UK & Europe

Bloomberg is a highly successful company with an excellent reputation as a leading supplier of sophisticated, screen based information and decision support services within the international financial marketplace.

Major expansion of the European headquarters in London has created opportunities for motivated, achievement oriented individuals to grow with the company.

We are looking for high calibre individuals who must have at least 2-5 years experience of the financial markets, probably gained in a sales, trading or support role. After an initial training period you will move into sales covering areas which include the UK and Europe.

To be considered you must have a good understanding of financial instruments particularly any one or more of the following: Fixed Income, Interest Rate Swaps, Futures and Options, Equities or Currency Markets.

Applicants who can also demonstrate fluency in a second European language such as Italian, Spanish, French or German are of particular interest.

Bloomberg is a young dynamic company and it is important that you are highly motivated with a commitment to developing your career in a demanding yet stimulating environment.

Salary is negotiable according to experience.

Apply to The Freshman Consultancy during office hours on 071-702 4934 or 0831 116336 or send your CV by post or fax quoting ref FT/B/D.

### FRESHMAN

The Freshman Consultancy Limited, Angell House, 6-13 Chamber Street, London E1 8BW  
Telephone: 071-702 4934 Facsimile: 071-702 4913

## ASLK-CGER BANK NV-SA

ASLK Bank NV-CGER Banque SA

## ACCOUNT MANAGER - LONDON

ASLK-CGER Bank is a leading Belgian Bank and one of the largest savings institutions in the world. Rated AA/Aa3, ASLK-CGER has in recent years been developing its European operations.

The London Branch is a key part of the Bank's expansion and there is now an opening for an Account Manager with a strong credit background. Whilst experience of developing and maintaining customer relationships with the top tier UK corporates, including risk management products, is desirable, excellent credit skills and a commercial attitude are prerequisites. The successful candidate will probably have an appropriate degree, will possess excellent communication skills and be aged 26-32.

Applications with a full CV to: The Personnel Officer, ASLK-CGER Bank NV-SA, ASLK-CGER House, 22 Eastcheap, LONDON EC3M 1EU.

## ELECTRICITY TRADER

ATTRACTIVE SALARY CITY BASED

Citigen is a joint venture company specialising in the development of citywide combined heat and power schemes associated with community heating and cooling in city centres.

Since the privatisation of the electrical industry, Citigen has been at the forefront of developing business opportunities in this field and is currently involved in a unique and prestigious project commissioned by the Corporation of London, to provide a major CHP scheme within the City of London.

This encouraging success, together with projected increasing business levels, has created this challenging new position.

Working for the Project Director and the Sales Manager you will be primarily responsible for price modelling and negotiating with the Pool, the Generators and other suppliers of electricity to secure positive profit margins.

A numerate graduate with strong analytical skills, you are innovative and eager to join a small dynamic team, possibly with some experience of negotiating long term contracts in commodity supplies.

You will be based in the City with travel in the UK as necessary. An attractive remuneration package is available together with excellent career prospects.

For further information, please ring 071-253 1570 or write with C.V. to:

Mr C.J. Maitland  
Project Director  
Citigen Limited  
Metrol House, 5th Floor  
62-68 St. John Street  
London EC1M 4AP

(Closing date for applications is Friday 29th January 1993)

## ECONOMIST REQUIRED

SELF MOTIVATED ECONOMIST REQUIRED TO JOIN GROWING TEAM OF QUANTITATIVE FINANCIAL ANALYSTS

- EXPERIENCE OF NATIONAL AND REGIONAL ECONOMIC FORECASTING
- COMPUTER LITERACY
- PROVEN RESEARCH CAPABILITY

PREPARED TO UNDERSTAND OF ECONOMETRIC AND FINANCIAL MATHEMATICS

SALARY £20-25,000

PLEASE SEND CV TO:  
REAL ESTATE STRATEGY LTD  
43 ST JOHN'S ROAD  
READING  
RG1 4EB

OR DIRECT ENQUIRIES TO  
ANDREW SCHOFIELD ON (0734) 566 883

### TRAINEE PARTNERS

Limited positions for ambitious individuals to work within specialist team of an Associate to a major world-wide organisation. Full training with potential for partnership and profit share within 12 to 18 months. Suitable for experienced Graduates and Professionals.

For further details please call JOHN KILBURN-TOPPIN on 071 240 4942



## TREASURY CONSULTANT LONDON BASED/INTERNATIONAL TRAVEL

BPP Bank Training, established to service the needs of the international financial community, is part of the BPP Group the well known leader in the education, publishing and training business.

BPP Bank Training now wishes to appoint an additional consultant to their Treasury Team. The successful candidate is likely to be between 25-35 and to have spent some years in a dealing room or support area and will have a sound understanding of a range of financial instruments. He/she must have a lively personality and feel confident to train, present and advise, although specific presentation training will be given. This is an excellent opportunity to join an expanding company.

Salary Negotiable Please apply in writing to:

Roger Roberts  
BPP Bank Training  
21st Floor, 99 Bishopsgate  
London EC2P 2LA

## FUND MANAGER - FIXED INTEREST Remuneration Negotiable

Latin American Securities is part of the Latin American Management Group which was set up in October 1987 as a joint venture between Foreign & Colonial Management Limited in London and Banco de Investimentos Garantia, a Brazilian investment bank.

In order to maintain our very high standards and to continue our expansion we are currently seeking to appoint a Fund Manager.

The successful candidate, educated to degree standard and with 2-3 years practical and recent experience in Fixed Interest/Eurobond markets will ideally be 25-30 years of age and have Reuters/Telerate systems experience.

The position requires a numerate and articulate individual who enjoys working with and becoming an essential part of a small dedicated team.

Interested applicants should forward a comprehensive curriculum vitae to:-

Anthony Evans  
Latin American Securities Limited  
Exchange House  
Primrose Street  
London EC2A 2NY

## LATIN AMERICAN SECURITIES LIMITED

(Member of IMRO)

## Sales - Financial Markets

City Based

QUICK EUROPE LIMITED is a major provider of on-line, real-time financial news and price information for Dealers, Portfolio Managers and Market Makers.

We are seeking high calibre, achievement orientated, Sales Professionals to help expand our existing successful team. With a minimum of two years sales experience in the financial markets, you will be able to demonstrate an outstanding record of success which reflects both your account management and new business sales abilities.

In addition, you must possess excellent communication and presentation skills and have a good understanding of financial instruments and the way in which the securities markets operate.

In return, we can offer career development opportunities in a dynamic environment, together with a comprehensive benefits package including: twice yearly performance related incentives, private medical insurance, excellent holidays and pension scheme and many other benefits expected of a successful Company.

Please apply to Philip Bryett, Personnel Manager, sending a c.v. or requesting an application form, to QUICK EUROPE Ltd, 65 Clifton Street, London EC2A 4JE. (Fax: 071-377 2209)



# Heady experience on the bottom rung of audit ladder

Andrew Jack looks at a training course that mixes hard work and play – and instils 'firm values'

THEY came from all over Europe, the Middle East and Africa. They flocked to an obscure Dutch village in their hundreds, fresh-faced graduates with little experience of the world of business. By next Monday, most will be out on their first audit assignment.

Over two weeks, they have endured more than 12 hours a day of training, each one accompanied by less sleep and more powerful hangovers. They have been mixed by gender, colour and nationality. They have been hard at work and at play in the classrooms, the bars and the sports facilities. This is basic training for auditors; boot camp for the recruits of Arthur Andersen.

Mention Fast – short for firm-wide audit staff training – to a current or former Andersen professional and eyes will mist over with nostalgia. About 4,000 of this year's intake of 5,000 recruits worldwide will attend.

That explains the long list of accountants with the firm who are eager to go back and teach their more junior colleagues, while re-living their past. The considerable delegation within the firm to those in junior positions means that many have the chance before memories of the original fade too far.

This year, things are slightly different. The 260 students and 30 tutors now coming to the end of a residential conference centre near Eindhoven in the Netherlands have become guinea pigs for a new, improved course. Their sessions are being observed, questionnaires are being circulated, focus groups held every day. Simultaneously, a session is just finishing in Andersen's other principal training

centre, St Charles outside Chicago.

It is the course with no name, or at least no digestible abbreviation. It is called ABA WST – audit and business advisory worldwide staff training – or Aberystwyth, as some of its instructors have started to dub it.

It represents 18 months of development, tens of thousands of hours of professionals' time in planning and some \$1.7m in preparation costs to date. The offices sending participants are spending more than \$3,000 a head for the privilege.

ABA WST is arguably the single most important element of the \$350m which Andersen says it spent on training last year, out of fee income totalling \$5.6bn.

The content of the syllabus has changed substantially from Fast. The gruelling regime – just as important as the learning in the classroom – remains virtually unchanged, although each class of former trainees claims its own was the toughest.

By the end of the second week, most of participants' energy has been long drained, and only momentum drives them on – giving them a taste of the stamina they may well need for the rest of their career with the firm.

How much knowledge they retain is debatable. One of the most common concerns among the trainees is whether they have sufficient skills to go out on their first audit. Their instructors constantly allay these fears. They argue that a tight supervision structure, well-established firm procedures and the impressive ability of the recruits will get them through.

What is certain is that those taking part make friends for life, forming a common bond against the pressures

of the course. Critics say the course moulds them into the raw material for a career at "Arthur Andersen". The more diplomatic call the experience a culture bath.

Everything is geared around getting the participants to mix continually. The Koningshof conference centre is nearly two hours' journey from Amsterdam, and 20 minutes walk from the nearest off-side bar. It was purposely chosen to be distant from distractions which might lure students off the campus.

That does not deter the hardy. Each evening, large groups – led by the South Africans, the British and the Irish – seek out the nearest bar once the hotel's own facilities shut down at 1am. Others collapse into bed ready for the early start.

Koningshof is designed around groups. The bedrooms are clean and functional. They are very small and have no distractions such as television. The one item of equipment is an alarm clock for early wake-ups.

The centre is self-contained, and focused around communal areas, with several restaurants and bars as well as many classrooms. There are elaborate sports facilities, and the ABA WST timetable schedules an hour before dinner each day specifically for sports. It also slots in an athletics competition on the first Wednesday. Most people take part.

In a typically canny accountant's move, Andersen drew up a complex contract with the centre's management four years ago. It uses the facilities at a substantial discount and has its own wing which is now being

expanded. But it does not assume the risks of the entire hotel, which takes clients from other corporate customers. It expects to break even each year, charging all costs to the national Andersen firms.

Most hours each day are spent in classes. They start promptly at 8am, and rarely finish before 10pm, with short breaks for coffee, lunch and dinner. Anyone who is late faces a forfeit. Tardy trainees had to stand on a chair and sing their national anthem, stand on one leg and recite a nursery rhyme, or crawl around the floor impersonating an elephant.

Classes are also smartly turned out. Andersen people dress down for dinner, quickly changing into jeans during the evening break. That is a habit which tends to persist during their careers. But during the day, they are in smart outfits. Many of the men are already adorned in the dark grey suits that are almost ubiquitous among partners.

Aspects of the Andersen culture occupy the first three days – the "core course". Trainees learn communication, teamwork, time management and research skills. They are told about business protocol and building internal relationships in the firm. Resumes listing each others' backgrounds and interests are circulated to everyone. Years later, accountants in the firm use these connections to help ease international assignments.

But the emphasis on firm values continues for the rest of the fortnight. Everyone is allocated to new classes after the first three days, with the exception of the French who have instruction in their own language.

Trainees within each class are regularly rotated, ensuring that the genders and nationalities mix. Much of the training is in groups and teams, and requires presentations.

Learning is based around a simulated audit of a fictitious US hair products company called "Style by Castan". Trainees watch videos, read press clippings and gain an understanding of the business and its accounting systems. They learn about risk assessment and planning the audit.

Then they prepare work papers, and get going on topics such as the expenditure cycle, inventory observation, the revenue cycle, receivables, property, plant and equipment, profit and loss, contingencies and the financial reporting cycle.

In between, they are periodically referred back to the firm's audit manuals, and instructors throw in examples from their own experiences. Audit standards are emphasised alongside client value. The importance of fees – including identifying additional functions which the firm can sell – are not neglected.

Mr Marco Castano, a partner from Andersen's Italian practice, says there have been substantial changes to the syllabus since Fast. The course provides less detail but more overview, emphasising the business reasons rather than simply the procedures. It has also been made less US-based to reflect the firm's worldwide nature.

By the start of next week, those who took part may not have grasped every fine point of auditing, but they have laid the foundations for a long-standing career in the world's most unified accountancy firm.



**LORNAMEAD**

ACCOUNTANT

circa £20,000 + car + benefits

The Lornamead group is a leading producer and exporter of toiletries, wines and spirits and food products. The group is experiencing significant growth in its markets and requires to strengthen its financial team.

Reporting to the Financial Director, the Accountant will have total responsibility for timely production of management information, tax and VAT compliance and company secretarial duties as well as the upkeep and development of the group's computer system.

The successful candidate is likely to be a qualified accountant who will be at home in a dynamic, fast-moving environment. Versatility, energy and a hands-on approach are essential.

Candidates should apply in writing, enclosing a full CV, to:

The Financial Director, Lornamead Limited, Lornamead House, 1/5 Newington Causeway, London SE1 6ED

## DIVISIONAL FINANCE DIRECTOR

Required for Midlands based Construction Group with annual turnover of around £250 million. This excellent career opportunity will be suited to a qualified accountant with board experience and a construction industry background.

Please reply with CV to Box No A670, Financial Times, 1 Southwark Bridge, London SE1 9HL

## Financial Controller

**c.£35,000+Benefits • Manchester**

Our client, Greater Manchester Passenger Transport Executive, is totally committed to achieving excellence in its service to the public. Achieving service excellence in today's environment means managing change, maximising innovation and ensuring the highest level of efficiency. GMPTX are making great strides in meeting the significant challenges that lie ahead and, as part of its strategy for the future, seeks to appoint a commercially-minded Financial Controller who can identify with its philosophy and make a major contribution to achieving operational excellence.

Reporting directly to the Director of Finance, the appointee will take responsibility for the smooth running of the Finance team and for advising on and interpreting financial and management information. Computer literate, the successful candidate, ACA, ACCA or CIPFA, will bring technical competence and strategic perspective to a role which demands assertion tempered by tact and single-mindedness.

harnessed by sensitivity to the views of others.

Strong communication and team working skills should be blended with a mature, innovative approach which will make the appointee an effective agent for change. The package will include a contributory pension scheme and generous travel concessions. Relocation and expenses will be available where appropriate.

If you can share the ideals of GMPTX and feel ready for a major challenge which will stretch your personal and professional skills to the limit, please apply in writing, giving career and salary details and quoting reference F/373/B to Paul Bailey, Ernst & Young Corporate Resources, Commercial Union House, Albert Square, Manchester M2 6LP.

Our client is committed to a policy of equal opportunity.

**ERNST & YOUNG**

## APPOINTMENTS ADVERTISING

appears every Wednesday & Thursday

& Friday (International edition only)

For further information please call:

Tricia Strong on 071-873 3199  
Andrew Skarzynski on 071-873 3607  
Mark Hall-Smith on 071-873 3351  
JoAnne Gredell New York 212 752 4500

## Director of Syndicate Accounting

Excellent remuneration package plus car

For further details, please contact Nigel Jones or Aileen Smyth on (071) 583 0073 (day) or (081) 595 1009 (evenings & weekends) or send your cv in complete confidence to 16-18 New Bridge Street, London EC4V 6AU. Fax (071) 353 3908.

An exceptional opportunity exists for a high calibre Chartered Accountant to join this established and prestigious Lloyd's Underwriting Agency.

In a challenging and high profile position, the successful candidate will take full responsibility for a large progressive syndicate accounts department.

A dynamic and pro-active approach will be needed to ensure the department provides timely and accurate financial reporting to Underwriters and Managing Agency boards.

The candidate will have the opportunity to further utilise and develop skills by undertaking Company Secretarial and Compliance Officer functions for two agency boards.

This position clearly demands an ambitious individual ideally with the following credentials:

- Proven managerial experience and expertise gained within a large, high quality, deadline driven environment
- A chartered accountancy qualification
- Previous exposure to Lloyd's syndicates accounting.

Rewards will be excellent in terms of prospects, package and working environment.

**BADENOCH & CLARK**  
recruitment specialists

whiteheadselection

## Finance Director

Publishing  
North West of London (M25 Corridor)  
c.£50,000 package plus benefits

This successful, £10 million turnover business publisher and exhibition organiser is part of a rapidly expanding, listed group which intends to grow the company both organically and by acquisition. The Finance Director is to retire shortly, creating an opportunity for an exceptional candidate to become a key member of the small management team.

You will lead and develop the finance and accounting function, bringing a fresh, outward looking approach and providing a high level of support to the newly appointed Managing Director. Systems development will be an important part of the role in this high transaction level environment.

Probably a graduate Chartered Accountant aged late 30's, you will have had at least five years' experience in medium/large sized industrial companies at financial controller level or above. Experience in the media sector would be advantageous, but is not essential. Personal qualities will include a high level of self motivation and strong communication skills.

There is good potential for career development within the group.

Please write enclosing a full CV, quoting reference 594, to Nigel Bates, Whitehead Selection Ltd, 43 Welbeck Street, London W1M 7HF.

A Whitehead Mann Group PLC company.

## Finance Director

an outstanding opportunity for an ambitious and commercially aware ACA

Luxembourg

Our client is one of the foremost retail financial services Groups, with impeccable parentage and a total commitment to expansion in Continental Europe.

We are looking for an exceptional candidate probably in his or her thirties and our selection standards will be extremely high, matching the importance placed by our client on this critical appointment.

A first class financial and management accounting background is taken as read but much more is required; literacy as well as numeracy, forward thinking as well as historical accuracy and, crucially, communication skills.

Whilst we are not insistent on financial services exposure, we will require demonstrable experience in forecasting and business planning which will form an important part of the role and contribute to the future expansion of the organisation. French and/or German language skills would be a great asset.

This is a high profile role and the rewards in terms of salary and benefits as well as promotional prospects are unlikely to disappoint the calibre of individual required.

Please send full career details quoting Reference No. A5210 to Malcolm Lawson at Codd Johnson Harris, Human Resource Consultants, 12 New Burlington Street, London W1X 1FF, or alternatively, telephone 071-287 7007 during the working day or 0323 485580 in the evenings.

**CJH**

Codd Johnson Harris

whiteheadselection

**GKIR**

**ST. JAMES ASSOCIATES**

## A Winning Combination

In line with changing trends in the recruitment market-place and as a result of continued success and growth, St. James Associates is merging with the regional search practices of GKIR to form a new company, GKRS.

GKRS will complement the long established, top level search practice of GKIR in St James's Square, London. This change signifies stronger links within the Group, together with a broadening of our recruitment activities.

GKRS will provide advertised selection and executive search services, together with a combination of the two sourcing techniques, as dictated by the demands of different assignments. We will continue to focus primarily on senior and middle management appointments nationally.

GKRS will operate from offices in Bath, Leeds and our new London headquarters at Cork Street.

These recent developments enhance our ability to provide an executive recruitment service of the highest quality to our clients.

We look forward to further growth in 1993 and beyond, and would be interested in speaking to high calibre individuals who can demonstrate a successful track record of winning and completing search and selection assignments in a demanding and professional environment.

If you are interested in learning more about GKRS, or in discussing career opportunities within the company, please contact James Hyde, Managing Director, in strictest confidence.

**GKRS**

SEARCH & SELECTION  
CLAREBELL HOUSE, 6 CORK STREET, LONDON W1X 1PB. TELEPHONE: 071 287 2820  
A GKIR Group Company

## Global Derivatives Broking

## Head of Administration

c.£60,000 package

The Company, part of a major multinational, specialises in broking futures and options. It serves a global client base including corporations, banks and fund managers. A Senior Manager, reporting to the Managing Director, is now sought to head all administrative aspects of the business. Career development prospects are excellent.

**THE APPOINTMENT**

- Manage the financial accounting and management reporting functions including forward planning.
- Provide an accurate and cost-effective clearing service.
- Create a strong emphasis on customer service.
- Coordinate tax, treasury and legal work.

Coordinate information systems implementation in conjunction with the parent.

**THE REQUIREMENTS**

- A recognised accountancy qualification, probably a graduate.
- Significant administrative experience within the futures industry.
- Excellent verbal and written communication skills.
- Proven leadership and people management capabilities.
- IT literacy.

Please apply in writing with a full CV and salary details by Friday 5 February 1993 to Geoffrey Mather, K/F Associates, Peppys House, 12 Buckingham Street, London WC2N 6DF.

**K/F ASSOCIATES**  
Selection & Search

مكتبة من الكتب



## Internal Auditor

Banking - a newly created role

City c£40-£50,000 + Banking Benefits

An opportunity has arisen for an experienced chartered accountant to make a major contribution within the London branch of our client, a leading international bank. Continued business growth, underpinned by an innovative, but risk averse corporate philosophy, has created the need to establish a new internal audit function with responsibility for the control and security of operating procedures.

Reporting to the Deputy General Manager and under the direction of senior management, you will be charged with establishing the audit function, ensuring that effective financial and management controls are developed and maintained and reviewing systems and procedures throughout a range of branch operations. A crucial aspect of your role will be to ensure that your recommendations have a practical application within a London branch context. Success in the position is likely to create an opportunity to progress into a wider range of responsibilities.

You are a graduate chartered accountant with a sound knowledge of banking products, gained in either the profession or the financial services sector. It will be helpful if you are familiar with computer based systems, with particular emphasis on controls, and you will ideally have been exposed to an internal audit role within the branch of an overseas bank. A sharp, analytical mind and well-honed communication skills will be essential in establishing professional credibility at all levels and you must demonstrate the energy and flexibility to thrive in a responsible position which requires the antithesis of a desk-bound approach.

Please write in confidence, enclosing full career details, to Tim Knight, quoting reference L7617.

**KPMG Selection & Search**  
2-3 Dorset Rise, Blackheath, London EC4A 3AE

## INSOLVENCY MANAGER

### Join the experts amongst the specialists

Our insolvency practice leads the UK market place. Its reputation is based on providing the positive advice and constructive expertise which can save an ailing business. In the search for enterprising solutions our team have all the scope they need to exercise both commercial acumen and intellectual ability.

As a Manager based at our Croydon office, you will join a team which has rapidly established the largest share of the insolvency market in the South East. As well as managing a quality caseload, with autonomy, you must provide guidance and leadership to a young ambitious team. Business development and the building of strong relationships with professional contacts and clients is very much a feature of this role.

You must be JIEB qualified, or committed to completing JIEB examinations. You are likely to be

of a relatively early stage in your career, ambitious and have demonstrated senior management potential. Your technical expertise should be matched by your ability to deliver solutions.

The rewards include a salary and benefits package which befits the challenge. So if you believe you can add to a team which is already making substantial progress, please send your cv to: Vicki Frush, Coopers & Lybrand, Melrose House, 42 Dingwall Road, Croydon CR0 2NE. Or telephone 081 681 5252 for an application form.

**Coopers & Lybrand** Solutions for Business

## GROUP TREASURER & DEPUTY FINANCE DIRECTOR

Northern Home Counties

c. £60,000 + Car + Excellent Benefits

A major IT Systems Integration company with a strong presence in the United Kingdom market and extensive worldwide activities, is looking for a top Executive to lead its international treasury function and act as the number two in the Finance Division, to play a major role in the success and profit growth of the Group.

Emphasis will be upon cash generation for a large leasing portfolio, including major public and private sector customers, pro-active interface with its own divisional business units and, naturally, with banks and money markets.

Treasury and General financial experience is essential along with appropriate Accountancy qualifications and preferably ACT but, more importantly, the skills and qualities to manage change, to drive the business, create a decisive and forceful impression and relish the challenge. Probable age range 35-45.

The salary is negotiable according to experience and current situation. A fully expensed car will be provided along with other benefits and relocation costs met. Please write with full career details to Tony Burden at the address below:

**Randle Cooke and Associates**

International Recruitment Consultants

London House, 33-35 Hammersmith Lane SW11 1BN Tel: 01-871 0171 Fax: 01-871 0312

## Tax Manager

Glasgow

to £38,000 + Substantial Benefits

Our client is a major Scottish Life Office which is an important part of one of the UK's leading financial institutions. Growth through the development of new business initiatives, combined with reorganisation within the finance function has created an excellent opportunity for an experienced Tax Manager.

Reporting directly to the General Manager Finance with a strong functional responsibility to the Group Taxation Manager, the role will encompass all aspects of taxation with a particular emphasis on tax planning in the life assurance environment. As a key member of the

financial management team, you will promote greater awareness of taxation issues throughout the organisation.

The successful candidate is likely to be a graduate chartered accountant, in their early 30s, with substantial life industry experience. In addition to highly developed technical skills, candidates must also demonstrate strong leadership qualities and an innovative approach to problem solving.

Interested candidates should contact Deborah S. Lochhead at Michael Page Finance, 150 West George Street, Glasgow G2 2HG.

**Michael Page Finance**  
Specialists in Financial Recruitment  
London Belfast Windsor St Albans Leamington Spa  
Nottingham Manchester Leeds Glasgow & Worldwide

## Jardine Matheson Group

### Group Audit Controller

Risk Management within a multi-national group  
Substantial Package - Hong Kong

Founded in the 19th century, Jardine Matheson is one of the most respected names - not only in the Far East, but also worldwide. Its global trading operations span some 30 territories including Asia, USA, UK and Europe. Employing over 130,000 people worldwide, turnover exceeds US\$8 billion.

Rarely do opportunities at such a senior level arise in prestigious organisations of this nature. Equally it is unusual to come across a position offering such challenges and potential for further progression.

Based in Hong Kong, you will be reporting to the Board on the existence and effectiveness of the group's key systems of internal control. The ability to critically evaluate risks and develop a top down approach to enhance our control and compliance functions is a pre-requisite. Working with the directors and management of our principal business units you will facilitate the continued development of management and control systems to support the group's continuing success.

To qualify for this position you will have had significant

experience as a successful Audit Partner in a major accounting firm, or as Head or Deputy Head of Internal Audit in a major multi-national organisation. Unless you have reached these levels, you are unlikely to have the required breadth of knowledge and experience we seek. Reflecting the longer term opportunities and the potential for personal growth, you are also likely to be under 40.

This is a unique opportunity for a dynamic accountant to move directly into a senior corporate management position. Unless you have the confidence and ability to progress within our organisation beyond this role, you are not the person we seek.

Your remuneration package will fully reflect the importance of this position. Full expatriate benefits will also be provided.

If you have the requisite qualifications, please send your full CV to JG Curtis at our London based subsidiary, Matheson & Co. Ltd., Jardine House, 6 Crutched Friars, London EC4N 2HT. Telephone: 071-528 4386.

**Dairy Farm**

**H**

**Jardines**

**MATTHEW WILKINSON**

**Jardine Fleming**

"just another dull, boring accountancy role"

## FINANCE MANAGER

No chance! Working for one of the best regarded and highest profile airlines in the business could never be called either dull or boring - in fact quite the reverse. In such a complex and sometimes unpredictable industry, finance has a vital part to play. Not only by maintaining an up-to-the minute and accurate picture of current and projected financial performance, but also through its ability to provide senior management with quick and effective responses on the financial implications when critical business decisions are made.

As Finance Manager your role will be to supervise and direct both the Management Accounts Department and the Financial Accounts Department within the organisation. Reporting directly to the Financial Controller, who in turn reports to the F.D., you will be responsible for an overall team of twenty five.

The job will involve most of the responsibilities you would anticipate from such a role, such as ensuring accurate and timely production of both statutory and management accounts, company budgets and forecasts, taxation matters, management reporting and a myriad of day-to-day routine

matters involving contact with departmental managers and directors across the business.

You should be a young, qualified accountant - preferably ACA - with additionally at least three years' experience in a commercial organisation outside of the profession. Ideally we would seek candidates from a service oriented business background where speed of action and flexibility are important measures of performance. Previous experience of team leadership (and we don't just mean audit teams) is a must.

This is a tough, demanding, "hands-on" environment, so you'll need to be assertive and strong enough to cope, with a willingness to "muck-in" when necessary. Equally, however, your managerial skills should enable you to effectively coach, counsel and motivate your teams when necessary. So a clear-headed and mature approach to life and its problems would be a definite plus!

Candidates should apply by initially sending a current Curriculum Vitae in total confidence to our advising consultant: Ron Irving, Managing Director of The Hamilton Irving Consultancy at No 6 Baron's Gate, Rothschild Road, Chislewick, London W4 5HT.

c. £32K  
+ Car  
+ Great  
Benefits

West Sussex

**Virgin**  
atlantic

Challenging appointment for an outstanding manager of people and resources in a volume manufacturing environment.

## FINANCE DIRECTOR

Attractive Salary + Car + Benefits Package

Midlands

Our client is a major subsidiary of one of the UK's leading technology groups, providing a comprehensive and innovative range of Business Systems to an impressive client base.

As part of an exciting new strategy aimed at refining the product mix and building on their first rate customer service, this appointment presents an outstanding opportunity for an experienced Finance Director to make a vital contribution to the future success of the business.

Reporting to the Managing Director the principal responsibilities include:

- \* The implementation and development of comprehensive management information, budgetary and financial control systems.
- \* Provision of detailed financial analysis with a focus on business performance by product group.
- \* Provision of commercial guidance to the board.

Candidates, ideally graduate Chartered Accountants (ICMA), aged 35-40, will be computer literate with highly developed financial control and reporting skills. These will probably have been gained within a medium-sized volume manufacturing environment and will be combined with a strong commercial orientation. Leadership and problem-solving abilities, coupled with a high level of motivation and proven team-management skills, are the critical personality factors that will ensure your success.

In recognition of your commitment and career achievements to date the Company offers a first rate salary and benefits package and the opportunity to hone your skills within a professional and entrepreneurial team.

Applicants, both male and female, should apply in writing with full career details to Fiona Kelly, Mercuri Urval, Spencer House, 29 Grove Hill Road, Harrow, Middlesex HA1 3BN. Fax No. 081-861 1978, quoting reference FK/01/93.

**Mercuri Urval**

## Financial Accounting Manager

Hants/Surrey  
c£35,000 + car

Our client is a leading European systems engineering, consultancy and software company, part of a major International Group. This appointment, working in a new senior management team, is to strengthen the accounting function, as the Company grows to meet increasing orders.

The key responsibilities of the role are:

- \* strengthening the integrity of financial accounting
- \* ensuring on time, "no surprises", reporting
- \* introducing a new management information system
- \* managing and developing the department's staff

Candidates, male or female, should be qualified accountants aged 28 - 35, with a proven financial accounting record, in a project orientated environment.

This is a rare opportunity for an ambitious younger executive, to join a Major Group, where the career opportunities are excellent and the remuneration includes a very full benefits package.

Please reply in confidence, with a full CV, including salary details, to David Thompson Associates, Bacombe Rise, Ellersborough Road, Wendover, Bucks HP22 6EL, who are assisting with this appointment.

**DAVID THOMPSON ASSOCIATES**  
CONSULTANTS IN EXECUTIVE RECRUITMENT

To £50,000 +  
bonus/benefits

Retailing

North East

## Finance Director

To join the Board of a profitable £40 million retailing group, a major subsidiary of a successful UK Plc. Real scope to enhance financial controls and computer systems to improve management information for the current department stores and prime out-of-town retailing activities. Participation in developing the growth strategy for the future, as a key member of a new management team.

### THE ROLE

■ Responsible to the newly appointed MD for the provision of accurate, timely management information to improve control, decision-making and working capital management.

■ Up-grading accounting and MIS systems. Forging close links with operating management and developing the central accounting team.

■ Influential contribution to future strategy including organic and acquisitive growth.

### THE QUALIFICATIONS

■ 35-45 year old, qualified accountant with proven record of success in the retail or service sector. Experienced in implementation of accounting and MIS systems.

■ Superb manager and motivator, committed to staff training and development.

■ Commercial focus with maturity and stature to gain respect across the business. A long-term team player.

London 071 973 8484  
Manchester 061 437 0375

**Selector Europe**  
A Spencer Stuart Company

Please reply, enclosing full details, to:  
Selector Europe, Ref. F20490131,  
16 Connaught Place,  
London W2 2ED

## Nuffield Hospitals Management Accountant

c.£35,000 + Car + Benefits

Surbiton

Key role in a leading private hospital group committed to the provision of first class service and facilities. With 32 hospitals and a turnover of over £100m per annum, Nuffield Hospitals is an acknowledged leader in patient care.

### THE POSITION

- ◆ Head of management accounting function. Report to Director of Finance.
- ◆ Control small team at head office. Work closely with regional and hospital management.
- ◆ Consolidate financial and statistical data. Analyse and comment on performance.
- ◆ Develop financial reporting systems. Contribute to overall financial control and strategy of the group.

### QUALIFICATIONS

- ◆ Graduate, qualified accountant, aged 30-40, with significant experience of group reporting in a multi-site operation.
- ◆ IT literate. Able to develop, interpret and define the needs of a sophisticated data gathering and reporting system.
- ◆ Analytical mind with imagination and strategic approach. Excellent communicator and presenter. Credible at all levels.

Please write, enclosing full cv, Ref M030  
54 Jernyn Street, London SW1Y 6IX

N B SELECTION LTD  
a Norman Broadbent International  
associated company



London 071 493 632  
Bristol 0272 291142 • Glasgow 041 294 434  
Aberdeen 0224 659900 • Slough 0753 81927  
Birmingham 021 253 4656 • Manchester 0625 59955

RANK XEROX

## Finance Manager – Manufacturing Gloucestershire

c£30K + Car + Benefits

Rank Xerox – The Document Company is the world leader in document processing business systems. The Mitcheldean site, one of four European manufacturing units, concentrates upon the production of reprographic and electronic equipment.

The Company has recently organised itself into strategic business centres and an experienced, professional, Finance Manager is sought to join the Control function to work closely with Reprographics Business Centre (RBC) Manager and his team. The RBC is responsible for the assembly and remanufacture of a comprehensive range of copiers, and printing systems and is the largest of the Business Centres at Mitcheldean.

Key Responsibilities will include:

- Identification of new initiatives to enhance profitability
- Compilation of annual plans
- Development of standard and product costing systems

- Management of a small team of part qualified business analysts
- Commercial interaction with management at all levels within the Business Centre and Group Staffs in the UK and USA.

The successful candidate will be a qualified accountant (ACA or CIMA) with experience in both Financial and Management Accounting in a profit orientated environment.

Significant experience of manufacturing industry is essential, as are the personal qualities expected in a multinational organisation. You will have the potential to grow to more senior positions in the organisation – not necessarily in a finance role. Promotional prospects are excellent based on the ability to perform. Some international travel will be necessary.

Please write, enclosing full details to:  
K.R.V. Laken, Rank Xerox Ltd,  
Bldg 7/2, Mitcheldean,  
Gloucestershire GL17 0DD.



We only discriminate on ability



**Grant Thornton**  
Chartered Accountants

## Corporate Finance Opportunities

North West

£ Excellent

The North West Corporate Finance team has distinguished itself through the provision of quality strategic and advisory services, resulting in considerable expansion. The dynamic and innovative approach of the partners, Stephen Baker and Amin Amiri, has secured major assignments placing the team in a prominent position.

In order to capitalise on this position and to further develop their services, they wish to make two senior appointments.

### SENIOR MANAGER AND MANAGER

The ideal candidates will have at least four and two years corporate finance experience respectively, which is likely to include advising on all aspects of buy-outs/ins, fundraising, corporate strategy, acquisitions and disposals. Prerequisites include a desire to succeed, a creative and commercial approach and receptiveness to new ideas. Candidates should have a successful personal track record and be able to add value to the team.

In return you will become part of one of the most successful corporate finance teams in the North West with unrivalled opportunities for further development and reward.

Interested applicants should send a full curriculum vitae to Stuart Frost at  
Michael Page Finance,



Clarendon House, 81 Mosley Street,  
Manchester M2 3LQ.  
Please quote ref: M14767.

**Michael Page Finance**

Specialists in Financial Recruitment  
London Bristol Windsor St Albans Leatherhead Birmingham  
Nottingham Manchester Leeds Glasgow & Worldwide



## International Finance Director

Manchester

c £35,000 + Bonus + Car

Since its creation in 1985, United Cinemas International, a subsidiary of Paramount and Universal, has grown rapidly to become the UK market leader in the development and operation of multiplex cinemas. The Group has established an international presence and has significant plans to expand its operations in Europe.

As a result of the relocation of the Group Finance Department to Manchester in April 1993, they seek to appoint an International Finance Director. Reporting to the Chief Financial Officer you will be responsible for group financial and management information including monthly reporting, quarterly forecasting and statutory accounting. The position involves

extensive liaison with the US parent companies and UCI's operating subsidiaries around the world.

Candidates, aged 28-33, are likely to be Chartered Accountants who can demonstrate strong technical ability combined with a high degree of commercial awareness. Well developed interpersonal skills and a proactive approach are essential to make an important contribution to the future success of the business.

Interested applicants should forward a comprehensive curriculum vitae quoting ref: 14761, to  
Stephen K Banks ACMA at Michael Page  
Finance, Clarendon House, 81 Mosley  
Street, Manchester M2 3LQ.

**Michael Page Finance**

Specialists in Financial Recruitment  
London Bristol Windsor St Albans Leatherhead Birmingham  
Nottingham Manchester Leeds Glasgow & Worldwide

Topmark Vehicle Contracts Ltd, a member of the Southern Water Group of Companies, is a substantial commercial vehicle contract hire company, with a fleet of over 2,100 units.

A realistic expansion programme will ensure that the Company continues to build on an already impressive record of profitable achievement in this highly competitive sector. Topmark's success is built upon a very high level of customer service which is paramount.

## Financial Controller

This key role, reporting to the MD, is wide ranging as you will control the complete financial and administrative functions to ensure profitable development. Involvement in operational decision making and business management will include overall responsibility for Purchasing, T.O.M. and B.S. 5750. Consequently the appointment demands a qualified accountant with good interpersonal skills and considerable, varied experience, gained ideally within the vehicle leasing or a similar financially orientated service industry. The successful candidate will have the necessary business acumen to warrant further progression within the Company.

Please forward your CV, together with current salary details, to David Beatty, Director of Personnel, Southern Water plc, Southern House, Yeoman Road, Worthing, West Sussex BN13 3NX. Please quote reference FT.



**Topmark**  
Vehicle Contracts Limited

Topmark is a member of Southern Water plc group of companies

## The Top Opportunities Section

appears every  
Wednesday

For  
advertising  
information call:

Clare  
Peasnell  
071 873 4027

Elizabeth  
Arthur  
071 873 3694



Department of the Environment

**Price Waterhouse**

EXECUTIVE SEARCH & SELECTION

## Head of Accounting Services

Up to £50,000 package Hemel Hempstead

The Department of the Environment's Accounts Division handles transactions of over £50m per annum and has an operating budget of over £2m.

Reporting to the Director of Administrative Resources, the Head of Accounting Services will take responsibility for the Department's receipts, payments and Vote Accounts and also for the development, procurement and implementation of a major new accounting system for the Department.

To fulfil this demanding role, you will probably have either a professional accountancy qualification or extensive experience of

Government accounting. You will be able to demonstrate a good track record in managing a demanding and time critical operation, where there is immediate and major accountability for delivering a high profile capability. You will also be able to provide excellent managerial skills, determination and strong leadership.

The position is based in Hemel Hempstead but will require frequent travel to central London. The role is offered on a 4 year contract which may be extendable.

A remuneration package of up to £50k is offered (inclusive of performance related pay); more may be

payable for an exceptionally qualified candidate.

If you would like to find out more about this opportunity or request an information pack, please telephone Heather Thomas on 071 939 6315. Applications should be returned to her by 12 February 1993, quoting reference number F/1322/FT at the address below.

The Department is an Equal Opportunities Employer.  
Executive Search & Selection  
Price Waterhouse  
Milton Gate  
1 Moor Lane  
London EC2Y 9PB

هكذا من الأصل



**CD1 VAT SENIOR MANAGER**  
North East  
Experienced VAT Consultant required to set up new department within International Finance. Responsibilities will include problem solving for Acquisitions, Disposals and Liquidations.  
**CD2 CORP TAX JNR MANAGER**  
Timeside  
Big 6 practice requires ACA/ATU with at least 4 years corporate tax experience to advise major multinational organisations on all corporate tax matters.  
**CD3 AUDIT SENIOR/SUPERVISOR**  
Edinburgh  
Recently qualified ACA required by large city practice to supervise a portfolio of major clients including PLC's.

**CD4 PERSONAL TAX MANAGER**  
Newcastle  
ACA/ATU required by major practice to head up expanding department. Duties will include managing an extensive portfolio of Personal Tax clients involving both compliance and planning work.  
**CD5 INSOLVENCY-ASST MANAGER**  
Throughout UK  
CD5-CD6K + Car + K6KX  
A number of major multi-city practices seek experienced ACAs or former holders to take Managerial and Business Development responsibilities.  
**CD6 CORPORATE AUDIT**  
Europe  
Major International Service Company currently requires newly qualified ACA to fulfil international Audit role. Must have reasonable fluency in German.

**ACCOUNTING & TAX**  
TOP CAREER OPPORTUNITIES  
NORTH OF WATERFORD  
FOR FURTHER INFORMATION CONTACT  
CHRIS DICKSON or DAVID CHEYNE  
**SEARCH**  
Recruitment & Selection  
1A HILL ST, EDINBURGH EH2 3JP.  
TEL: 031-226 4444 • FAX: 031-226 4443

**DC1 CORP TAX PARTNER DESIGNATE**  
West of Scotland  
Midland sized firm seeks big 6 Corporate Tax Manager for Partner Designate role. Full partnership available within 2 years. No equity required.  
**DC2 TAX SENIOR/SUPERVISOR**  
West of Scotland  
MBO based Practice seeks Senior Supervisor to be involved in tax planning for a varied portfolio of clients. Full training and support given.  
**DC3 AUDIT SENIOR**  
Aberdeen  
A rare opportunity exists for newly qualified ACA to become involved in client development for a range of medium sized businesses with well established practice.

**DC4 AUDIT MANAGER**  
Glasgow  
Manager's role in medium sized practice has expanded to incorporate business development and training. Partnership anticipated within 3 years.  
**DC5 EX-PATRIOT TAX**  
Scotland  
We currently hold several vacancies for expat tax staff from Asia/Pacific to Senior Managers in Glasgow, Edinburgh and Aberdeen.  
**DC6 INTERNATIONAL AUDIT**  
New York  
A superb opportunity exists for newly/ recently qualified ACA within global firm. Working in North and South America, Australia and the Far East.

## Accounting is only half the equation

### Banking Services Manager

Staines

As Banking Services Manager at Sony, you'll need more than just accounting skills as you'll be helping to further sharpen the customer focus of the treasury function - a challenge that calls for excellent communication skills, the ability to lead and motivate others and maintain high levels of customer satisfaction.

Reporting to the General Manager Treasury and Taxation, you will manage an established team of 11 staff whose responsibilities range from accounts payable and cashiers to payroll and cash forecasting. Here you will maintain the highest level of accounting rigour and accuracy and ensure that suppliers and internal customers receive excellent service at all times.

In addition, you'll be involved in the ongoing enhancement of Sony's capability in three operational areas - namely, long term cashflow forecasting, foreign currency

management, and the effective use of treasury information for management purposes.

A qualified accountant, you must have at least 3 years' experience in a commercial organisation. Sound man-management experience, together with a good working knowledge of the money market and a practical understanding of personal taxation issues are essential.

The rewards include a salary of up to £30,000, (dependent on experience), a company car, and excellent benefits package. To apply, please send a full CV to Louise Sapio, Sony (UK) Ltd, Sony House, South Street, Staines, Middlesex TW18 4PF and tell us in no more than 250 words why you believe a focus on customer satisfaction is important in a finance environment.

Please quote reference 229. Closing date for applications Friday 22nd January 1993.

**SONY**

## SENIOR MANAGEMENT ACCOUNTANT

c.£30,000 + benefits

London, W1

English Heritage is England's main national body responsible for heritage conservation. We secure the preservation of the country's architectural and archaeological heritage, and promote public enjoyment and knowledge of this through the management of more than 350 properties.

Currently we are looking for a qualified Accountant (CCAB), to head up the Management Accounting team at our offices in Savile Row. You will be responsible for the preparation, presentation and interpretation of budgets, financial input to the corporate plan, management accounts and associated reports. You will also represent the department at formal meetings, provide briefings to directors, and financial training for budget and line managers.

In addition to a successful track record, the ideal candidate will have excellent interpersonal and communication skills, complemented by a familiarity with computer systems and proven analytical ability.

In return, we can offer a highly competitive salary together with an excellent package of benefits including non-contributory pension scheme and life cover.

To apply, please send a summary of your CV together with a brief covering letter, quoting ref. R/193, to: Joanne Gaskin, Personnel Department, English Heritage, Bond Street House, 14 Clifford Street, London W1X 1RB. Telephone: 071-973 3880.

Closing date: 28th January, 1993. Interviews will be held in London in February.

English Heritage is committed to an equal opportunities policy.

**English Heritage**

## Internal Auditors

£25-33,000  
Central London

....exciting new opportunities  
in a high profile team.

Our client is a highly successful UK company achieving a multi-million pound turnover. Having recently undertaken a re-assessment of its business divisions they are looking to develop an enhanced and highly motivated audit team to play a major role in the management and control of the newly structured organisation.

They now wish to speak to a number of young ambitious accountants, preferably with some EDP and/or engineering knowledge, with a view to strengthening the existing team. Further training in EDP auditing techniques will be actively encouraged where necessary.

The successful candidates will report to a senior management team and should possess a high level of business acumen, strong personalities and the ability to communicate effectively at all levels.

The company operates a policy of equal opportunities.

**In the first instance please forward a Curriculum Vitae including salary details and quoting reference number HC295 to Hunter Campbell, 1 Prince of Wales Passage, 117 Hampstead Road, London NW1 3EE. All applications will be treated in the strictest of confidence.**

*Hunter Campbell*

## AN ENERGETIC AND WIDELY EXPERIENCED INTERNATIONAL FINANCE DIRECTOR

Currently based Thames Valley specialising young, high growth sales & marketing lead organisations. Seeks new opportunities full or part time.

Please write to Box A675, Financial Times, One Southwark Bridge, London SE1 9HL

## FINANCIAL DIRECTOR

A major group located in the North of England with a turnover in excess of £50M is seeking a Qualified Group Financial Director to be responsible for the financial control of the group, reporting directly to the Chairman.

The Group consists of a number of subsidiary companies, each with its own managerial control, including Managing Director and Accountant. The Financial Director will be appointed to the main board and be responsible for co-ordinating the activities of the various company accountants.

The above position, in a successful but demanding company, carries an attractive salary and benefits package. Assistance to re-locate will be provided where appropriate.

Applications with a detailed C.V. should be forwarded to: Box A668, Financial Times, One Southwark Bridge, London SE1 9HL.

## TAXATION MANAGER

Private Client

St James's Park  
London SW1

Our client is a well respected investment and financial management organisation dealing predominantly with all aspects of the financial affairs of high quality private clients and their trusts.

On the retirement of the present taxation manager, the company is seeking a replacement. The ideal candidate for this challenging post will be aged at least 35, ACA and/or ATU qualified, and be currently responsible for a private client tax portfolio. In addition to taxation work, he or she will also be expected to assist with the administration of clients' financial affairs, including insurance. It is intended that the position will further be developed to include aspects of compliance with financial services regulations.

An attractive remuneration package is offered, matching ability and experience. Please send a CV, including salary progression, to Kathryn Johnstone at the address below.

**DIXON WILSON**  
CHARTERED ACCOUNTANTS

ROTHERWICK HOUSE, 3 THOMAS MORE STREET, LONDON E1 9YX

## INTERNATIONAL MANAGEMENT CONSULTANCY

FINANCIAL CONTROLLER LONDON c.£35K

Our client, a leading international management consultancy, with a U.K. turnover of £12 million, 200 staff in three locations and a steady growth record, is looking for a financial controller to steer the company through the next phase of expansion. Reporting to the European Financial Director, with the backup of an existing accounting team of six, the successful applicant will:

- be a graduate
- be qualified ACA or ICMA
- have three years post qualification experience
- be aged 28-38
- have experience of installing MIS and computer systems
- be a good communicator and delegator
- enjoy challenges and change management

Career prospects within this successful and innovative company are excellent.

For further details please contact our consultant, Jane Crosthwaite, on 071 581 2977 or fax 071 581 1766. No. 2, Cromwell Place, London, SW7 2JE.

## ADVISORS - UKRAINE

RH&H Consult is seeking two well-qualified experienced candidates to provide assistance in the elaboration of legislation in the areas of accounting and auditing in Ukraine. Both should have good knowledge of accounting laws, implementation and practices in the EC and its member states. Experience in the drafting of accounting and auditing legislation would be an asset.

EC or Eastern Europe/former USSR nationals only. Only successful candidates will be contacted. Please urgently and not later than 25 January fax detailed CV attn: Lars Jepsen.

**RH&H CONSULT**

RAMBOLL HANSEN & HOJLAND AS

Bredovej 2, DK-2830 Virum, Fax + 45 45 83 13 05

RH&H Consult is a major Danish consulting company. Activities include assistance to financial sector, privatisation and investment promotion in former centrally-planned countries.

## UNIVERSITY OF WARWICK FINANCE OFFICER

Applications are invited for the post of Finance Officer, which will fall vacant from the Summer 1993 on the retirement of Mr C. Brummitt. The post carries responsibility for all financial management and accounting in the University and a proven record of ability in these areas at a senior level is a requirement. A degree or professional qualification would be an advantage.

Salary will be at an appropriate point in the Grade 6 (professional) range, but will be not less than £40K.

Application forms (returnable by 5 February 1993) and further particulars from the Personnel Office, University of Warwick, Coventry CV4 7AL (telephone 0203 523627) quoting Ref 24/48/92/77 (please mark clearly on envelope).

AN EQUAL OPPORTUNITIES EMPLOYER

## NEW DEVELOPMENT BUDAPEST Financial Controller

International Quick Service Restaurant company with offices in Budapest seeks to engage a financial controller, based in Budapest, to join in the future development of the company and franchise system. Candidate qualifications:

- Min 5 years qualification plus International accounting practice experience
- English fluent, German/Hungarian preferred
- Competent knowledge of cash management/cash flow
- Computer literate, knowledge of spreadsheet

Please send CV and salary history to: Box A667, Financial Times, One Southwark Bridge, London SE1 9HL

## SENIOR CLERK - ACCOUNTS DEPT

A major Italian Bank wishes to expand its Accounts Department. The successful candidate should have previous experience in Accountancy. A good knowledge of Italian would prove most useful.

For further details please write to Box A682, Financial Times, One Southwark Bridge, London SE1 9HL.

## FINANCE DIRECTOR Nigeria

Our client, an important international holding company, has extensive operations in Nigeria spanning trading and distribution, metal products manufacturing, packaging materials, food processing, brewing, systems consultancy and oilfield services. Significant growth and profitability have been achieved by concentration on businesses with high potential and through expansion both organically and by acquisition. The company has prided itself on its ability to develop and nurture an able management team and promotion has now led to the need to recruit an experienced Finance Director.

This is a demanding role requiring a qualified accountant, around forty, who has already acquired experience in a senior financial position in an international group where strong financial controls and effective management and financial reporting systems are the norm and who, preferably, has worked with one of the major international accounting practices. The incumbent will provide essential financial support to the Group Chief Executive and operating company managements, will oversee the treasury function, will help steer the Group's relations with the banks and will be expected to make a contribution, as a key member of senior management, to the strategic direction of the businesses and the future objectives of the Group. This position, reporting to the Group Chief Executive, will be Lagos based.

The company will offer a very attractive remuneration and benefits package. Applications are invited from high calibre financial specialists, who are Nigerian nationals or of English speaking West African origin, and should be addressed, in confidence, to the Group's advisors:

**MADAR**

2 The Courtyard, Smith Street, London SW3 4EE.

The Management Selection Division of Dennis & Gemmill International Limited

## Divisional Financial Controller

Quoted PLC - Chemicals North West  
c.£40,000 + Bonus + Car

An outstanding opportunity for an energetic, enthusiastic, high calibre, commercially orientated accountant to join the management team of this expanding Division.

### THE ORGANISATION

- ◆ Division of a quoted Chemicals group specialising in the manufacture, sale and distribution of chemicals on a world-wide basis.
- ◆ Important operations in the UK, USA and Europe.
- ◆ Excellent potential for future growth.

### THE POSITION

- ◆ Reporting to the Managing Director and to the Group Finance Director, you will lead and motivate a small team responsible for the accounting and financial control of the Division on a global basis.
- ◆ Timely production of financial and management information and budgets.
- ◆ Responsible for the operation, development and enhancement of the computerised database and accounting systems.

### QUALIFICATIONS

- ◆ Intelligent, pro-active, qualified accountant of graduate calibre aged probably mid 30s to 40s.
- ◆ First class technical skills preferably gained with a major profit orientated, multi-national group ideally operating in the Chemical or Pharmaceutical industries.
- ◆ 'Hands-on' accountant who is highly motivated with strong leadership and team-management abilities.
- ◆ In-depth knowledge of financial controls and disciplines and reporting to tight deadlines.
- ◆ Skilled in computerised systems development and enhancement.
- ◆ Confident and assured personality supported by a high level of integrity.

If you are interested, please send your CV, in confidence, quoting reference number 1030, to Adamson & Partners Ltd, 10 Lisbon Square, Leeds LS1 4LY. Tel 0532 451212 Fax 0532 420802.

**ADAMSON & PARTNERS LTD.**

Executive Search and Selection

## EDP AUDITOR

We are a leading Arab financial institution with diverse business locations around the globe.

We seek to recruit a suitably qualified EDP Auditor who should be willing to travel to each of the locations and to be able to work in a multi-cultural environment. The job itself is based in Bahrain but the travel content overall is expected to be around 50%.

The ideal candidate will, be a qualified accountant (ACA, ACCA) preferred age 30-35, who has had EDP audit training within one of the large firms of accountants with a bias toward the financial services sector. He/She must have excellent communication skills both written and oral and be prepared to train a local national in all aspects of EDP audit.

For the right candidate we offer an attractive tax free salary, free furnished accommodation, medical coverage and other benefits usually associated with an expatriate posting.

Interested candidates should send their detailed resumé to: Box A681, Financial Times, One Southwark Bridge, London SE1 9HL.

## FINANCE DIRECTOR EUROPE

South West England

c.£35,000 plus car

This European Packaging Division, of a major USA based Multi-national Group, which has Operations in the UK and Europe is seeking a Finance Director to head its Finance Function.

The Division is a significant supplier of Plastic Packaging with 800 people employed in five operating locations.

Reporting to the Business Group Director, responsibility is for the professional management of the Finance Function, including financial strategy, planning and reporting, together with appraisal of performance, investment, and acquisition proposals.

The Company is seeking a commercially aware Accountant, CIMA preferred, with proven relevant experience at a senior level of industrial financial control.

An attractive salary package is available to include a 3 litre car, private health care, and relocation assistance to a pleasant part of the South West of England.

Applications, including a full C.V. and references should be sent to:

Regency Business Services, 44 Darnford Street, Plymouth, Devon PL1 3QN

## FINANCE DIRECTOR

Surrey

c.£35,000 + car

Our clients are an autonomous subsidiary of a large diverse British Group. They were established a few years ago to exploit an emerging market, providing a range of services to industrial/commercial customers. The growth to date has been impressive but they see potential for substantial further expansion. The management structure is being strengthened to accommodate this expansion and this new appointment is part of that process. The job carries responsibility for a small department operating computer-based systems but an important aspect will be to maintain a proper balance between these resources and the changing demands on the finance function. The person appointed must, therefore, combine a hands-on approach with a broad commercial outlook that will enable him/her to play a full part in the development of the company. Applicants must be qualified accountants with experience in an operational environment that has involved the management of change. Age indicator - early 30's.

Ref: 1736/FT. Send CV (with current salary and day time telephone number) or write or phone for an application form to R A Phillips ACIS, FCII, 2-5 Old Bond Street, London W1X 3TB.

Tel: (01) 493 0156. (24 hours).

**Phillips & Carpenter**

Selection Consultants

## FINANCE AND ADMINISTRATION DIRECTOR

c. £30,000 + car and benefits

Central London

Our client is the very successful Trade Association for a major manufacturing industry. As a non-profit making organisation it depends mainly upon membership subscriptions and income derived from the sale of publications, as well as the organisation of courses, conferences and exhibitions. Member companies expect to see their association run as a 'tight ship'.

The role of Finance and Administration Director is very influential and will play an increasingly important part in the growth and development of the association.

Candidates, preferably chartered accountants aged 40 - 55 years, must have managed a finance and company secretarial function in a manufacturing industry, and be highly computer literate. The selected candidate will be accustomed to doing most of his/her work personally but will also have to motivate a small team which includes office services personnel.

Attractive benefits include an executive car, medical and life insurance and a contributory pension scheme.

Please send your career details, together with a day time telephone number, to Richard Brasher, at the address below.

MKA MANAGEMENT CONSULTING LIMITED  
Tectonic Place, Holyport Road,  
Holyport, Maidenhead, Berks SL6 2YE  
Telephone: (0628) 728015  
Fax: (0628) 728138

**MKA**

BELGIUM • FRANCE • GERMANY • ITALY • SPAIN • SWEDEN • SWITZERLAND • THE NETHERLANDS

## Finance Manager

Basingstoke

c.£35,000 + Benefits

We are a successful young company providing technical services to manufacturers of electrical & electronic equipment. Despite the recession, we envisage a continuation of the rapid growth experienced to date and have now created a new position of Finance Manager to complement the existing management team.

The Finance Manager will take over responsibility for the existing accounting function as well as responsibility for financial planning and strategy. The position will also have responsibility for the development of information technology systems and certain aspects of personnel development.

The ideal candidate would be a Chartered Accountant with experience of financial planning for rapidly growing companies and the ability to apply a broad business perspective to financial decisions. A degree in a technical subject or a knowledge of the electronics industry would also be of assistance.

Please send C.V. to Box A669, Financial Times,  
1 Southwark Bridge, London SE1 9HL

## KICK Sportswear Accountant

£30K

We are one of the leading companies in the licensed sportswear industry in the UK and are expanding into Europe. Our turnover this year will be in excess of £10m

We have recently been bought out by a Public American Corporation which is in the same industry in the USA. For this reason we need to make a new appointment.

You will be taking over the complete control of our small accounts department as well as the total responsibility for all budgeting, reporting and planning functions of the company. We are a go ahead company and need someone not afraid of hard work and a real challenge.

- |  |  |
|--|--|
| ■ Qualified Accountant   | ■ Experience in the garment industry                   |
| ■ 3 to 5 years experience with one of the big 6                        | ■ Good knowledge of PCs using Teta accounting software |
| ■ 3+ years industrial experience                                       | ■ Good spreadsheet knowledge                           |
| ■ Experience in manufacturing industry using standard costing accounts | ■ Good communication/management skills                 |

The suitable applicant will have the following attributes:  
Please reply with full details of your experience in the above areas together with full CV to Sarah Dunster at:

Kick Sportswear, Unit 2, St Georges Ind Est,  
Kingston Upon Thames KT2 5BQ

## Director Of Finance

North West

c. £30,000, Bonus, Car, Benefits

After another year of significant growth my client, the autonomous UK subsidiary of an international leader in its niche FMCG marketplace, wishes to maintain the strength of its senior management team by appointing an energetic, ambitious Director of Finance, following the promotion of the current postholder. With a turnover of £25m and a staff of 250 employed at three sites, the company has established itself as one of the most profitable in the group and is committed to further increasing its substantial market share. Reporting to the Managing Director, the primary responsibilities will be to further develop the services supporting operational activities and contributing to the achievement of the long term business objectives. Probably aged mid-thirties and professionally qualified, you will demonstrate a successful track record of leadership and management in a dynamic and challenging FMCG environment.

If you feel you have the self-motivation, ambition and enthusiasm and relish the thought of further career advancement please send your CV to Mr. J.H. Thompson, Hoggett Bowers plc, 1 Donly Road, Fulwood, PRESTON, PR2 4JJ, quoting Ref. M27007FT.

**Hoggett Bowers**

BIRMINGHAM, BRISTOL, CAMBRIDGE, CARDIFF, EDINBURGH, LEEDS, LONDON, MANCHESTER, NEWCASTLE, WINDSOR and representation throughout EUROPE

## DIVISIONAL FINANCIAL CONTROLLER

NORTH WEST

TO £37,500 P.A. PLUS CAR

This newly created role is part of the ongoing development strategy of this highly respected £600 million turnover PLC. This Division has recently completed two significant acquisitions including a European operation which will take the Division's turnover close to £200 million. The appointment of a Divisional Financial Controller to support the management of the Division is key to the successful integration of the acquisitions and delivery of the business plan.

The successful candidate will report to the Divisional Managing Director with functional reporting to the Financial Director and will be responsible for all financial management activities within the Division from providing leadership and guidance to operating company accounting staff through to the monthly consolidation of results and management reporting. The role will have some international content with overseas contracts and a company in Europe. Candidates, preferably aged 32-42, will be qualified Accountants and must have Financial Management experience in the construction industry. Exposure to systems development would be an advantage as would a second European language.

Apply in confidence by sending a detailed CV quoting reference number 654 to: Staniforth-Endsors & Partners Limited, 3 The Courtyard, Ashley Road, Hale, Cheshire WA14 3NG. Telephone: 061 929 1481. Fax: 061 929 8098.

**STANIFORTH-ENDSORS & Partners Ltd**

CONSULTANTS IN ORGANISATIONAL COMPETITIVENESS

## FINANCE PROFESSIONALS IN INSURANCE FOR MANAGEMENT CONSULTANCY

ATTRACTIVE SALARY PACKAGE + GENEROUS BENEFITS

**Right person.  
Right place. Right time.**

**(Which is why you should move.)**

You've achieved much in your insurance career so far, gaining in-depth knowledge and a clear commercial focus. But those skills which have served your career well to date can be enhanced still further in management consultancy. At Coopers & Lybrand, we offer exceptional individuals the chance to develop their skills and fulfil their potential in a broader context.

The business understanding which you've derived from line management or project-based experience - together with your degree and professional accountancy qualifications - make you well-placed to benefit from such a career move.

Coopers & Lybrand is acknowledged worldwide as a leading management consultancy and accountancy firm. Join our Financial Services arm and you will be part of an established and highly specialised insurance team, advising clients on a range of strategic financial and systems-related issues in what continues to be an increasingly competitive marketplace.

Working within project teams of various sizes, you will enjoy genuine responsibility for defining problems, instigating change and influencing

the strategy of blue-chip clients at senior management level. Operating anywhere in the UK or overseas, you will use your personal experience and initiative to take key decisions and carry through their implementation.

As well as good analytical and problem-solving skills, you will have the ability to communicate your findings clearly and succinctly. Probably aged 25-35, energetic and determined, you must be able to establish immediate credibility among senior client management.

In return, you will enjoy excellent career prospects, an impressive remuneration package and individually-tailored training. Above all, you will have the opportunity to prove your worth in an environment that is both challenging and enjoyable.

If you believe you can add to the strength of our team, please write with full career details to Jean Richardson, Coopers & Lybrand, Plumtree Court, London EC4A 4HT. Please quote reference FT032.

**Coopers & Lybrand** Solutions for Business

## Audit Manager

Europe Middle East Latin America

BRUSSELS

£45,000 PLUS CAR

Our client, with worldwide sales in excess of \$22 billion, is a US multinational with a diverse product range spanning middle to high technologies. Each individual business area boasts a history of market leadership.

Due to internal promotion, the need has now arisen to appoint an outstanding individual to join the regional audit team based in Brussels. Activity extends beyond Europe to the Middle East and Latin America and encompasses over 90 manufacturing and distribution units with combined revenues in excess of \$4.5 billion. Reporting to the Regional Audit Manager, you will be responsible for supervising professionals in the conduct of financial and operational audits as well as assisting in the management of the European regional office including budgeting, training and recruiting.

A graduate Chartered Accountant, probably between 30 and 35 years of age, you must have a minimum of five years' post qualification experience, preferably including some line management exposure. You must be comfortable communicating at the highest management levels, both in English and at least one other European language.

You must be willing to travel (40% content) and be actively interested in pursuing a post-audit career which may not initially be UK based. Promotion will be rapid and the rewards outstanding for those candidates who can combine an international spirit with a highly developed commercial, results-orientated nature.

Interested applicants should write to Rod Bailey enclosing a detailed CV at Nicholson International, Search and Selection Consultants, Africa House, 64/78 Kingsway, London WC2B 6AH, quoting reference number 9721 or fax your details on 071-404 8128, or telephone 071-404 5501 for an initial discussion.

**ni**

**NICHOLSON INTERNATIONAL**

Vous fait part d'un accord publicitaire avec les ECHOS le quotidien économique le plus important en France. Dans la rubrique "Offres d'emploi internationales", une annonce conjointe dans le FINANCIAL TIMES et LES ECHOS augmentera de façon substantielle l'impact de votre message sur les cadres dirigeants en Europe. Chaque semaine les annonces paraîtront dans les Echos le mardi et dans le Financial Times le mercredi ou le jeudi (le vendredi dans l'Édition Internationale du Financial Times). Pour de plus amples renseignements, veuillez contacter:

CLARE PEASNELL 071 873 4027

**FINANCIAL TIMES**  
LONDON & WORLDWIDE REPRESENTATION

## Practice Manager

Legal Profession

Home Counties

£Neg

Our client is a leading firm of solicitors which provides a wide range of legal services, based principally on corporate, litigation and property work.

Central to the firm's development is the appointment of a financially orientated Practice Manager who will take responsibility for the effective management of the accounts and administration functions throughout the organisation. The successful candidate will also be a member of the Management Committee.

Reporting to the Managing Partner, you will be a qualified accountant, ideally with experience of managing the accounts and administration functions in a dynamic and professional environment. This experience will be supported by evidence of computer systems knowledge and the strong financial and analytical skills necessary to run a growing business.

In the first instance, please send your CV to Ann Heather or Chris Denington at International House, 7 High Street, Ealing, London W5 5DB. Alternatively, call them on 081 566 5300.

**Grant Thornton**  
MANAGEMENT CONSULTANTS  
The UK member firm of Grant Thornton International

**MORGAN GRENELL**

**TAX ADVISER - CORPORATE FINANCE DIVISION**  
c.£35,000 + Banking Benefits

Morgan Grenfell, the London-based international merchant banking and investment management group, is one of the City's leading financial institutions.

It wishes to recruit an Executive to join a small, dedicated team providing tax advice on a wide range of transactions and products. The work covers:

- M&A transactions e.g. mergers, de-mergers
- UK Capital Gains Tax planning
- Structuring transactions and some international tax planning.

The tax team is located within the Corporate Finance Division and the majority of advice is given alongside members of this division involved in mergers and acquisitions and other potential transactions, but support is also provided

to other parts of the Morgan Grenfell Group. There are no corporate responsibilities.

The successful candidate will be required to advise corporate finance colleagues and clients, often at a very senior level, as well as consulting with their professional advisers. There is an emphasis on creativity and problem-solving. Applications are invited from first-rate ACAs or Solicitors from City firms with an international clientele who have gained strong corporate tax experience. Of equal importance is the ability to communicate effectively and to act commercially.

**BLT**

Interested candidates should send a full CV to Mike Beament or Tony Jackson at the address below. Alternatively call them on 071 353 5606 during office hours or 081 545 2526/071 350 2132 evenings/weekends.

**BEAMENT LESLIE THOMAS RECRUITMENT CONSULTANCY LIMITED**  
SUITE 92, LUDGATE HOUSE, 107-111 FLEET STREET, LONDON EC4A 3AB

071-353 5606

## FINANCE DIRECTOR

Expanding Retail Group

London

c.£45,000 + car + benefits

This expanding retail group has a turnover in excess of £20m and operates branches nationwide. A self-motivated, commercially orientated Finance Director with a successful track record in a multi-site retail environment is required to complete the executive team. Reporting to the Managing Director, key responsibilities will include strategic planning, budgeting and cash management.

### THE CANDIDATE

Qualified Professional Accountant with a successful track record in a multi-site retail environment. Highly motivated, commercially astute with an emphasis on the bottom line. Experience of implementing an IT/EPOS programme.

### THE ROLE

Appraise existing finance function implementing change where necessary. Develop and implement financial systems for reporting and analysing the results of all branches. Advise on margins/sales mix to maximise profitability. Appraise existing reporting procedures, implementing change where necessary. To control costs and capital expenditure through development of short-term forecasting.

Please apply in writing, enclosing full CV to:  
BOX A674, Financial Times, 1 Southwark Bridge Road, London SE1 9HL

هكذا من العمل



## THE PROPERTY MARKET

# The final curtain call

**S**ir Christopher Benson, the outgoing chairman of MEPC, Britain's second largest property group, does not view next week's annual general meeting with his usual equanimity.

He is bracing himself for a possible intervention at the behest of Mr Harry Hyams, the reclusive post-war developer of Centre Point in London who is one of MEPC's most critical shareholders. "I would be surprised if Harry Hyams did not orchestrate something," says Sir Christopher.

A year ago four associates of Mr Hyams, owner of 6.6 per cent of MEPC, challenged the payment of an increased dividend. Sir Christopher has few doubts about the strength of Mr Hyams' feelings. Shortly before last year's agm, Mr Hyams set out his thoughts on MEPC's philosophy and management style in a 40-minute telephone conversation with Sir Christopher which the MEPC boss describes as "very critical and passionate".

In the exchange, Mr Hyams said he was "incredulous" that Sir Christopher had the gall to describe MEPC's 1991 results as creditable. MEPC's pre-tax profits fell 4.3 per cent to £143.3m in 1991.

The differences between Mr Hyams and Sir Christopher date back at least to 1987 when MEPC bought Mr Hyams' company Oldham Estates in a hostile £530m deal.

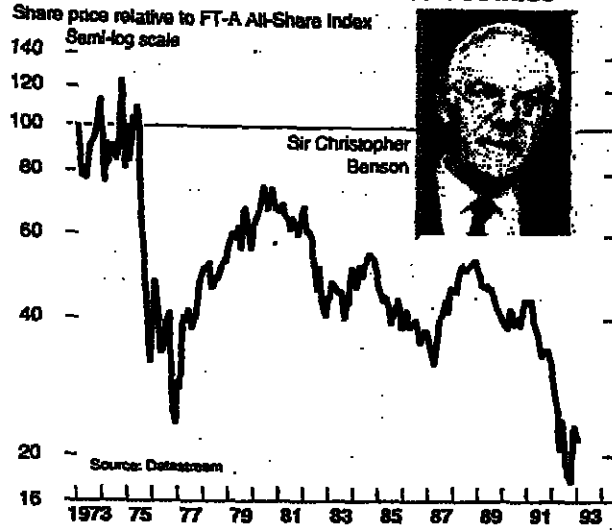
"The wounds have not healed... he is a very bitter man," says Sir Christopher, although he professes to admire his critic.

The substance of the argument between Mr Hyams and Sir Christopher is one of corporate strategy and philosophy rather than personality. Mr Hyams' policy has always been one of ensuring security of income by letting to tenants of undoubted quality. While the value of this strategy has become apparent over the past three years, it is sometimes dubbed as an uncreative, "rent-collecting" approach. Indeed, Mr Hyams' refusal to take a more aggressive strategy in the redevelopment of his portfolio paved the way for MEPC's takeover of Oldham Estates.

MEPC, by contrast, believes in trying to add value to its buildings. "We want to take a building and do something to

## Vanessa Houlder on MEPC's outgoing chairman

MEPC: ups and downs over two decades



Sir Christopher Benson

improve it. If it is not improvable we sell it," says Sir Christopher.

The clash between these two cultures became apparent in MEPC's sale last year of a 1980s Croydon office building that was let to the government. MEPC sold it because it thought that the building had no prospects for rental growth and the company wished to contain its borrowing. Mr

In the late 1970s, the company decided to expand its US portfolio, a decision which led to heavy losses when the Texas real estate market slumped in the early 1980s. "The timing was exquisitely wrong," admits Sir Christopher.

More recently, MEPC's development programme in the City of London has also come under fire from analysts. "The management's decision to expand in the City was clearly a major

## The timing of MEPC's development programme in the City and high exposure to office markets in general were widely criticised

Hyams said the disposal amounted to selling good assets in a weak market for short-term gain.

The difference of opinion over the sale of the Croydon site was not the first time that Sir Christopher has had to defend MEPC's strategy since he joined the board in 1974.

His early years at the company were spent travelling the world persuading banks to back MEPC, which had overextended itself. Much of his time was also taken up troubleshooting in continental Europe and Australia.

strategic error... While MEPC's financial management is very astute, the direction of its property activities seems to be badly flawed," said Salomon Brothers, the US investment house, in 1991.

The timing of MEPC's development programme and high exposure to office markets in general were widely criticised and its share price badly underperformed for much of 1991 and 1992. Towards the end of last year, however, MEPC's shares were re-rated after the company showed that it had sharply reduced its vacancy

rate and was able to maintain its dividend payment.

Perhaps the most important recent factor in improving MEPC's accident-prone image was the letting of a large part of Alban Gate, the MEPC development straddling London Wall which for a time looked like attracting the label of the City's largest white elephant. Alban Gate's fortunes revived last September when it signed up Chemical Bank as a tenant. The US bank had previously intended to move to Canary Wharf, the insolvent office project in the London docklands.

There is a certain irony in the fact that the recent success of Alban Gate has been at the cost of the docklands: Sir Christopher chaired the London Docklands Development Corporation from 1984 to 1988, a job for which he was awarded a knighthood.

The mid-1980s was a period of rapid expansion for the docklands and Canary Wharf was the region's most ambitious development. The period was also one in which the pace of development in the docklands ran well ahead of the area's infrastructure development and demand from tenants. Despite his deep involvement in the docklands, Sir Christopher views the mid-1980s period with a curious detachment. "I still have some difficulty with the speed of what happened," he says.

Sir Christopher's role at the LDDC prompted some City critics to suggest that he was spreading his time too thinly. Those criticisms and Sir Christopher's readiness to become involved in a host of companies continued after he gave up the managing directorship of MEPC in 1988. He took on the job of executive chairman of MEPC at the same time; this summer he takes his leave, to be succeeded by Lord Blakenham, chairman of Pearson (owner of the Financial Times).

Although Sir Chris is retiring from MEPC, he will remain active in the City. In 1990 he became chairman of the Housing Corporation, the quango which supervises housing associations, and chairman of Boots, the UK chemist. He is also vice-chairman of Sun Alliance, the insurance company where he is tipped to become chairman.

## LUXEMBOURG

INTERESTING INVESTMENT BUILDING FOR COMMERCIAL AND RESIDENTIAL USE  
2027 sqm construction starting now car parking available  
\*bank guarantees available\*  
\*tax benefits\*

PROMOTION BY LAZZARINI IMMOBILIARE S.A.  
495, route de Longwy  
L-1941 Luxembourg  
tel: 01 03 5245 51 04 (45 20 70)  
fax: 01 03 5245 67 65

INVESTMENTS  
SOUGHT BY FAMILY TRUST  
£12 - £10M  
QUALITY WELL LET INDUSTRIAL OFFICE AND RETAIL - UK  
Box No. A673, Financial Times, One Southwark Bridge, London SE1 9HL

CENTRAL WARWICKSHIRE  
- Excellent office site, 140,000 sq ft, 400m covered, 2000 m uncovered, 5 acre field, rural area - Huge Potential. Also Capital Asset - Luxury Barn Conversion - Bangalore - Terms Court etc.  
Tel: Howard Mitchell 0203 221473  
Ref: 12N B124

BUCKINGHAM PALACE ROAD SW1  
Newly decorated period offices to let. Suites from 150 to 3500 sq ft. New leases. Rents from £10.50 p/sf. Tel: 071-499 0866

BRUSSELS  
Top Location. Office Building 6,200m². 9 Year Lease to Belgian Government.  
Tel: 32/1168.00.92  
Fax: 32/375.53.06

ST JAMES'S BANKING HALL  
Attractive Grade II Banking Hall 800 sq ft plus 2,600 sq ft offices, storage & staff facilities. Tel: 071-499 0866  
Ref: MD

EUROPEAN PROPERTY  
The Financial Times proposes to publish this survey on Friday 12th March to coincide with the MIPIM International Property Exhibition 1993.  
For more information please call DOMINIC MORGAN on 071 873 3211

## BANK REO

San Francisco, USA  
154 UNIT APARTMENT COMPLEX

Village Square Apts in the Diamond Heights area of San Francisco  
\* 97.4% Leased  
\* 156 Parking Stalls  
\* Approximately 80% of units at market rents  
\* Price: \$13,500,000  
\* Financing Available to qualified buyer  
\* Broker Cooperation  
Call DAVID BLITZ (310) 417-5694  
FAX (310) 338-6165

LONDON - ST. JAMES FREEHOLD IN HEART OF WEST END BUSINESS DISTRICT  
Office/residential accommodation over five floors. Superb position in London's premier area adjacent to international merchant banks. Ideal Headquarters for foreign company seeking first class London representation. Competitively priced at under £2m sterling.  
Principal only write to Box A673, Financial Times, One Southwark Bridge, London SE1 9HL

PALL MALL ST JAMES LONDON SW1  
SUPERB OFFICES SUITES TO LET FROM 450/2865 SQ FT NEW LEASES  
CONTACT LLOYD SIMON BAKER LORENZ 071 409 2121

## IF YOU'RE THINKING ABOUT EXPANSION OR RE-LOCATION

Clwyd. The prime location with the extra dimension. A wide range of modern industrial units and serviced land. Directly linked to the M56 and 40 minutes from Manchester Airport, for servicing regional, national and international markets. Outstanding financial incentives for qualifying projects. All this, plus beautiful North East Wales in which to live and work - there's that extra dimension.  
YOU'RE THINKING CLWYD.  
To find out more, call now. (0352) 702772  
or fax your letterhead or business card to (0352) 700321



## LEGAL NOTICES

NOTICE TO CREDITORS  
THE INSOLVENCY ACT 1986  
(in creditors' voluntary liquidation)  
NOTICE IS HEREBY GIVEN that the creditors of two above named companies are required to lodge their claims with the liquidator at the address below on or before the date specified below. Failure to do so will result in the claimant being excluded from the list of creditors of the company.  
In accordance with Rule 4.108 of the Insolvency Rules 1986 notice is hereby given that in Riddick and in W J Long of Riddick, the liquidator, Station Road, West, Sutton, Surrey, SM1 1BW, and in Riddick, the liquidator, Station Road, West, Sutton, Surrey, SM1 1BW, are appointed joint liquidators of the above company by the creditors on 4 January 1993.  
Dated 7th day of January 1993  
Riddick and W J Long, Joint Liquidators

## PERSONAL

IAN - TENERFEREAD - I don't want your address, but please telephone me. Yours Sincerely, Ian, Chester.

## THE BUSINESS SECTION

appears Every Tuesday & Saturday.  
To advertise please contact Karl Loynton on 071-873 4780 or write to him at The Financial Times, One Southwark Bridge, London SE1 9HL.

**RIYAD BANK**  
SAUDI ARABIA  
Riyad Bank, Jeddah's leading Middle Eastern Bank in foreign exchange activity in 1990 and 1991 is seeking to fill the following positions in its Treasury Division, based at its Head Office in Riyadh, to support its continuous growth.  
Riyadh is a rapidly developing city, with modern hotels, superb shopping centres, a variety of sports and recreational facilities, including a new Golf course. Housing compounds are fully equipped with swimming pools, satellite T.V. and other recreational activities.

**FOREIGN EXCHANGE DEALER**  
Job Requirements:  
- Minimum 5 years experience in an active market environment.  
- Full understanding of the Foreign Exchange markets.  
- Visible track record with good financial institutions.  
- Self-motivated, mature and competitive.  
The vacancy is created by the Bank's increasing Foreign Exchange turnover. The successful candidate would reinforce a strong and expanding team in the Treasury Division.

**CORPORATE DEALER**  
Job Requirements:  
- Minimum 4-6 years of relevant experience, preferably with a major international institution.  
- Solid knowledge and marketing background in various dealing room financial products including FX, Deposits, Bonds, FX Swaps, FX Options, Interest Rate Swaps and Options.  
- Self-motivated, mature and competitive.  
The successful candidate will work with a team of several other Corporate Dealers in an effort to expand our corporate business and market more sophisticated financial products directly to the Bank's corporate customers. Fully competitive compensation packages will be offered to the right candidates for the above positions.  
Please send your application with C.V. and details of current salary to: Box A677, Financial Times, One Southwark Bridge, London SE1 9HL.

**ASSISTANT FUND MANAGER/ANALYST**  
Our client, a private and entrepreneurial US based Investment Management Partnership is establishing a presence in London, and seeks to recruit a young analyst to assist in the management of its European equity portfolio.  
The successful applicant will be a graduate with a high level of numeracy, systems expertise and experience in financial & company analysis. Fluency in a European language would be advantageous.  
For further details, please contact Stuart Clifford, The Bloomsbury Group (Selection Consultants), 4th Floor, Alton House, 177 High Holborn, London WC1V 7AA (071-379 1100; 071-228 7142 outside office hours).

**CAL Futures Limited**  
is looking to recruit self-motivated experienced dealers in financial and commodity futures and foreign exchange. Candidates should have at least two years experience in the financial markets. Salary negotiable.  
Please reply with detailed curriculum vitae to: Jane Wenmouth, CAL Futures Limited, 162 Queen Victoria Street, London EC4V 4BS

**Stone & McCarthy**  
RESEARCH ASSOCIATES LIMITED  
MARKET ANALYST/ECONOMIST  
Stone & McCarthy Research Associates, an independent research firm providing timely economic and financial analysis to clients worldwide through the Bloomberg financial network, is seeking a market analyst/economist to join its London research team. A minimum of 2 years experience in the EC fixed income/currency markets is preferred and fluency in a second language would be advantageous. Responsibilities will include providing market and economic commentaries as well as economic forecasting. An attractive compensation package is offered subject to experience and qualifications.  
Please forward your CV by post to Brian Clapp at Stone & McCarthy Research Associates Limited, City Gate House, 39-45 Finsbury Square, London EC2A 1PX or Fax on 071-638 1005.

**Currency Options Broker City-based**  
Our client, one of the world's leading money broking businesses, wishes to strengthen its Currency Options team by the addition of an experienced broker.  
Candidates should be fluent in French and German as well as English, and have well-developed relationships with a number of European banks. They are unlikely to have less than three years' experience in currency options.  
In return, our client offers the opportunity to earn an excellent salary and benefits package. Please apply, enclosing full details of your previous experience, to Media System, Colsters Business Centre, 8 Battersea Park Road, London SW8 4BG, quoting ref: 2008/FT on the envelope.

**UK EQUITY ANALYST**  
We are the fund management operation of a large multinational industrial company providing specialist UK investment management to institutions, and are currently seeking an equity analyst to take responsibility for our analytical coverage in the UK equity market.  
Applicants should be highly numerate with one or two years experience in the UK stock market.  
Starting salary of £20,000 will be complemented by a generous package of benefits and bonus for the right candidate.  
Those interested in applying for the position should send a full CV to:  
Box No A673, Financial Times, One Southwark Bridge, London SE1 9HL

**JOSLIN ROWE**  
TRANSACTION LAWYER to £55,000 + benefits  
An influential managerial role selling an ambitious, highly motivated Corporate Finance/Capital Markets Lawyer with at least three years experience to International Banking transactions general within a major law firm or a leading financial institution. Probably aged 25-35, the successful candidate will be required to negotiate and lead a small, highly professional team whilst advising on the documentation, structuring and execution of a broad range of products.  
COUNTERPARTY CREDIT ANALYST to £40,000 + benefits  
Blue Chip Investment Bank currently seeks to appoint a degree educated Counterparty Credit Analyst (aged 25 to 35) with a minimum of two years relevant experience. Working with the Fund Income, Equity, FX, Commodities and Securities areas you will approve counterparties, establish lending limits, conduct due diligence and provide credit assessment of new sectors etc. Fluency in a second European language would be highly advantageous as travel to the European offices is involved.  
TEL: 071 638 5286 FAX: 071 582 9417  
Box No A673, Financial Times, One Southwark Bridge, London SE1 9HL  
A MEMBER OF THE JAMES HENRY GROUP

**CORPORATE FINANCE OPPORTUNITIES**  
Top city based banks require the following:  
- Central/East Europe: Minimum of 2 years experience. Applicants have to be dynamic with proven successful track record. Good knowledge of government and corporate level. Fluency in one or more of these languages essential. Age up to 37.  
- Mergers and Acquisitions: Specialists in European cross-border transactions. Experience that an established track record can be proven. This will mean that you are already successful in your employment and for whatever reasons wish to move on. European language essential with preference for German, Italian and Spanish. Age up to 35.  
- Corporate Finance: A minimum of 2 years experience in German market. A dynamic self-starter with an ability to generate deals and to work alone. This is a unique position requiring an exceptional person. Age up to 28.  
- Structural Finance: An outstanding track record essential. Age up to 35. Several positions with prestigious London banks looking for quality people with demonstrated track record and who can add value immediately.  
- Mathematics to work with major London house. Minimum qualifications 1st Class Honours.  
- Accountants: Young ACA's first time passers. London based. Looking for exceptional people with demonstrated initiative.  
All the above opportunities offer salaries which are subject to negotiation.  
For further details please contact Vanessa de'Ale in strict confidence. Tel: 071-377 4488, Fax: 071-377 4887, or send CV to: Cambridge Appointments Ltd, 222 Strand/West High Street, London WC1R 6PU

**LONDON STOCKBROKERS**  
An opportunity has arisen whereby we are expanding our private client department and we are looking for self-motivated individuals or teams of experienced private client business executives. We are prepared to discuss either on a commission sharing basis or a salaried position.  
Firm has modern offices and efficient systems dealing with advisory, discretionary management, Peps, and a full range of other services to clients.  
Write to Box A680, Financial Times, One Southwark Bridge, London SE1 9HL

## APPOINTMENTS WANTED

**JAPAN**  
28 yr., European, male, degree in Int'l business, over 2 yr. marketing/sales mgt experience in Japan, Japanese, English, German, French fluent, work visa, looking for a suitable long-term position with respect to educational background & experience, preferably in Kobe/Osaka area.  
Write Box A671, Financial Times, One Southwark Bridge, London SE1 9HL

**SALESMAN FOR ASIAN SECURITIES BAHRAIN**  
POSITION  
- Selling a wide range of Asian Securities to a variety of Middle East private and institutional customers.  
- Dynamic and very active brokerage environment.  
- Direct customer contact.  
- Strong support from W.I. Carr Group (Indosuez subsidiary).  
REQUIREMENTS  
- Team performer.  
- At least 2 years' experience with proven track record in Asian Securities (Japan excluded).  
- Ideally under 30 years of age.  
- Ability to relocate to Bahrain within a short period of time.  
BENEFITS  
- Competitive and attractive expatriate, tax-free package.  
- Good future opportunities within the Group.  
Apply to:  
Personnel Manager (Ref: Stockbroker)  
Banque Indosuez, OBU  
P.O. Box 5416  
Manama - Bahrain  
Tel: 973 531345  
Fax: 973 531476

**Fund Managers**  
Leading UK Institution - City  
Capitalising on their consistently impressive performance and established reputation, our client is seeking to strengthen yet further their UK Equity and Global investment operations.  
The Global team currently manages funds totalling some £1 billion, while the UK team's equity portfolio is twice that - figures which indicate both the importance of the roles and our client's profile in the financial community.  
The UK team has vacancies for Fund Managers with at least 3 years' institutional experience, broad sector coverage and demonstrable above median performance.  
Global Operations require someone with two or more years' experience of an Overseas market and the ability to make a contribution in the areas of asset allocation and strategic comparisons. Candidates should have a good degree and FIMR qualifications.  
In recognition of the significant contribution you will be making to the institution's continued success, you will receive a highly competitive salary, company car, non-contributory pension, life assurance, subsidised mortgage, PPP and Permanent Health Insurance.  
To apply for any of these positions, all of which are based in the City, please write in complete confidence and enclosing a CV to Rachel Smith, at the address below. Mark your envelope 'D1', so that we may pass it direct and unopened to our client, unless you wish to advise us separately of any company to which you do not wish your details to be sent.  
**BERNARD HODES**  
SELECTION  
BRIMMINGHAM • BOSTON • GRIFFIN LLOYD, 161 HAMMERSMITH RD., LONDON W6 8HS. (Box 1, Cui)







## FT-SE   Actuaries Share Indices   THE UK SERIES

Others, however, continued to take the view that the authorities could be planning to keep rates at current levels until the UK Budget on March 16, when a reduction could be used to alleviate criticism of what may well be a tough Budget.

Account Dealing Dates		
First Dealings:	Jan 4	Feb 1
Option Declarations:	Jan 14	Feb 11
Last Dealings:	Jan 15	Feb 12
Account Day:	Jan 25	Feb 22

*\*New time dealings may take place from*

1 CAPITAL CONSUMPTION	876.98	+0.8	689.89	870.82	873.01	772.78	8.45	4.91	26.30	1
2 Building Materials	463.38	+0.7	367.89	462.63	468.07	452.02	5.72	5.04	24.91	0
3 Contractors, Construction	731.46	+0.5	729.30	725.73	734.45	851.95	5.51	6.85	84.00	0
4 Electronics	2554.02	+0.8	2633.88	2542.52	2537.79	2488.12	6.34	5.68	20.72	0
5 Electronics	2384.44	+0.9	2362.89	2317.09	2339.47	1703.08	6.77	3.68	16.67	13
6 Engineering-Transportation	304.85	+2.2	294.58	298.15	307.30	340.97	11.76	7.73	10.83	0
7 Engineering-Transportation	322.69	+1.1	301.05	303.76	322.01	478.23	7.76	4.56	16.48	0
8 Metals & Metal Equipment	332.37	+1.6	327.03	327.54	330.30	326.21	5.25	3.98	27.43	0

Hourly movements											
	0.00	1.00	11.00	12.00	13.00	14.00	15.00	16.00	High/Low	Low/High	
FT-SE 100	2751.8	2762.7	2766.8	2758.6	2759.6	2776.2	2770.1	2768.9	2760.1	2771.3	
FT-SE Mid 250	2597.8	2590.0	2584.7	2583.6	2584.0	2586.1	2587.3	2590.4	2588.5	2587.7	
FT-SE-A 350	1355.3	1357.2	1359.9	1356.7	1356.6	1358.8	1361.4	1360.5	1357.5	1362.0	

Gross dividend yield (ACT at 25%) FT-SE 100=4.42%

**Additional information on the FTSE Actuaries Share Indices** is published in *Saturday Issues*. Lists of constituents are available from The Financial Times Limited, Bank Bridge Road, London EC4A 3DF, United Kingdom. Telephone +44 (0)20 7689 6000, Fax +44 (0)20 7689 6001. E-mail [ftse@ft.com](mailto:ftse@ft.com). Website <http://www.ft.com>. Further information on our products and paper-based products relating to these indices, is available from FINSTAT at the same address.

The increase in the size of the FT-Actuaries All-Shares Index from January 1992 means that the FT 500 now contains more stocks. It has been expanded to include all UK listed companies which have shares traded on the London Stock Exchange.

The FTSE 100, the FTSE-Mid 250 and the FTSE Actuaries 359 indices are compiled by the London Stock Exchange and the FT-Actuaries All-Shares Index is compiled by The Financial Times Limited, both in conjunction with the Institute of Actuaries and the Faculty of Actuaries in Scotland. The FTSE 100, the FTSE-Mid 250 and the FTSE Actuaries 359 indices are based on the FT-Actuaries All-Shares Index. The FTSE 100 and FTSE-Mid 250 are based on the FT-Actuaries All-Shares Index excluding the 100 largest companies and the 250 largest companies respectively. The FTSE Actuaries 359 index is based on the FT-Actuaries All-Shares Index excluding the 100 largest companies. The FTSE 100, the FTSE-Mid 250 and the FTSE Actuaries 359 indices are calculated daily. The FT-Actuaries All-Shares Index is calculated monthly. All rights reserved. "FTSE" and "FTSE" are joint trade marks and service marks of the London Stock Exchange and The Financial Times Limited.

The FTSE Actuaries Share Indices are audited by the WGC Company.

**6.8m.** A squeeze in Johnson Group caused the shares to jump 35 to 734p.

In motors, profit-taking at GKN left the shares 7 lighter at 458p, but yield buyers were seen in T and N where the shares gained 5 to 173p.

Glaxo fell 10 to 714p as some technical analysts argued that the shares should head lower after breaking below support at 750p last week. Analysts project losses down to about 675p initially, with medium-

**MARKET REPORTERS:**  
Christopher Price,  
Joel Kibazo,  
Peter John.

---

■ Other market statistics,  
Page 20

	Notes	Price £	+ or -	1992
Shorts** (Jump up to Five Years)		100.00	high	100.00

Reports that British Aerospace would soon sign a joint venture deal with Taiwan Aerospace to manufacture and develop regional aircraft led to

14pc 1996	1171	1193
pc 1992-97	180	104
15.1pc 1996	123	125
cash 13.4pc 1993	117	118
Conversion 10pc 1998	180	110
Trans 13.4pc 1997	119	121
cash 10.4pc 1997	111	112
Trans 8.4pc 1997	185	187
8.4pc 97	205	205

From the Fifteen Years			
Each 15pc 1987	125.3	131.5	11
94pc 1988	109.1	111.9	9
Each 74pc 1988 (22.5 pc)	25.1	27.2	2
Each 94pc 1988-1991	98.3	96.8	8
154pc 1991	134.6	137.5	12
Each 12pc 1989	119.3	121.1	10
Each 94pc 1989-1991	106.5	107.5	9
Each 124pc 1989	126.3	127.2	10
Each 108pc 1991	116.8	116.8	9
Each 108pc 1991-1993	112.2	112.5	9
9pc 2000-01	106.5	106.9	9
Each 130c 1992	126.5	126.9	11

Plans to raise prices at British Steel saw the shares add 2 to 60p, with volume reaching

**IG**  
*Index*  
To obtain your free Guide  
year, call Michael Murray  
to us: IG Index Plc, 9-11

**Currency Fax -**  
from Chart Analysis Ltd  
7 Swallow Street, London W1R  
exchange rate specialists for

rate cheap rate. 45p at all other times.

**REAL-TIME NEWS**  
★ AFF-EXTEL ★ P.R. NEWS  
★ FUTURES WATCH  
CALL • LONDON 071-329 3333

**Bonds  
Currency  
Energy  
Metals**

## LONDON SHARE SERVICE

[illegible][illegible]

\_\_\_\_\_

ask Anne Whilby  
Tel: 071-734 7174

**NOTICE TO UOB SUPER ECU FUND UNITHOLDERS**

The Board of Directors held at Luxembourg as at October 16th, 1992, upon approval of the Authority of the "Société de la Bourse de Luxembourg S.A.", on the one hand,

units of DOB SUPER ECO FUND will not be listed on the Luxembourg Stock Exchange from March 1st, 1993.

**Call Today for Your  
Complimentary Copy  
44 71 240 2090**



**INVESTMENT TRUSTS - Cont**

هكذا من أهل



INVESTMENT TRUSTS - Cont.

Trust Name	Price	1992	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976	1975	1974	1973	1972	1971	1970	1969	1968	1967	1966	1965	1964	1963	1962	1961	1960	1959	1958	1957	1956	1955	1954	1953	1952	1951	1950	1949	1948	1947	1946	1945	1944	1943	1942	1941	1940	1939	1938	1937	1936	1935	1934	1933	1932	1931	1930	1929	1928	1927	1926	1925	1924	1923	1922	1921	1920	1919	1918	1917	1916	1915	1914	1913	1912	1911	1910	1909	1908	1907	1906	1905	1904	1903	1902	1901	1900	1899	1898	1897	1896	1895	1894	1893	1892	1891	1890	1889	1888	1887	1886	1885	1884	1883	1882	1881	1880	1879	1878	1877	1876	1875	1874	1873	1872	1871	1870	1869	1868	1867	1866	1865	1864	1863	1862	1861	1860	1859	1858	1857	1856	1855	1854	1853	1852	1851	1850	1849	1848	1847	1846	1845	1844	1843	1842	1841	1840	1839	1838	1837	1836	1835	1834	1833	1832	1831	1830	1829	1828	1827	1826	1825	1824	1823	1822	1821	1820	1819	1818	1817	1816	1815	1814	1813	1812	1811	1810	1809	1808	1807	1806	1805	1804	1803	1802	1801	1800	1799	1798	1797	1796	1795	1794	1793	1792	1791	1790	1789	1788	1787	1786	1785	1784	1783	1782	1781	1780	1779	1778	1777	1776	1775	1774	1773	1772	1771	1770	1769	1768	1767	1766	1765	1764	1763	1762	1761	1760	1759	1758	1757	1756	1755	1754	1753	1752	1751	1750	1749	1748	1747	1746	1745	1744	1743	1742	1741	1740	1739	1738	1737	1736	1735	1734	1733	1732	1731	1730	1729	1728	1727	1726	1725	1724	1723	1722	1721	1720	1719	1718	1717	1716	1715	1714	1713	1712	1711	1710	1709	1708	1707	1706	1705	1704	1703	1702	1701	1700	1699	1698	1697	1696	1695	1694	1693	1692	1691	1690	1689	1688	1687	1686	1685	1684	1683	1682	1681	1680	1679	1678	1677	1676	1675	1674	1673	1672	1671	1670	1669	1668	1667	1666	1665	1664	1663	1662	1661	1660	1659	1658	1657	1656	1655	1654	1653	1652	1651	1650	1649	1648	1647	1646	1645	1644	1643	1642	1641	1640	1639	1638	1637	1636	1635	1634	1633	1632	1631	1630	1629	1628	1627	1626	1625	1624	1623	1622	1621	1620	1619	1618	1617	1616	1615	1614	1613	1612	1611	1610	1609	1608	1607	1606	1605	1604	1603	1602	1601	1600	1599	1598	1597	1596	1595	1594	1593	1592	1591	1590	1589	1588	1587	1586	1585	1584	1583	1582	1581	1580	1579	1578	1577	1576	1575	1574	1573	1572	1571	1570	1569	1568	1567	1566	1565	1564	1563	1562	1561	1560	1559	1558	1557	1556	1555	1554	1553	1552	1551	1550	1549	1548	1547	1546	1545	1544	1543	1542	1541	1540	1539	1538	1537	1536	1535	1534	1533	1532	1531	1530	1529	1528	1527	1526	1525	1524	1523	1522	1521	1520	1519	1518	1517	1516	1515	1514	1513	1512	1511	1510	1509	1508	1507	1506	1505	1504	1503	1502	1501	1500	1499	1498	1497	1496	1495	1494	1493	1492	1491	1490	1489	1488	1487	1486	1485	1484	1483	1482	1481	1480	1479	1478	1477	1476	1475	1474	1473	1472	1471	1470	1469	1468	1467	1466	1465	1464	1463	1462	1461	1460	1459	1458	1457	1456	1455	1454	1453	1452	1451	1450	1449	1448	1447	1446	1445	1444	1443	1442	1441	1440	1439	1438	1437	1436	1435	1434	1433	1432	1431	1430	1429	1428	1427	1426	1425	1424	1423	1422	1421	1420	1419	1418	1417	1416	1415	1414	1413	1412	1411	1410	1409	1408	1407	1406	1405	1404	1403	1402	1401	1400	1399	1398	1397	1396	1395	1394	1393	1392	1391	1390	1389	1388	1387	1386	1385	1384	1383	1382	1381	1380	1379	1378	1377	1376	1375	1374	1373	1372	1371	1370	1369	1368	1367	1366	1365	1364	1363	1362	1361	1360	1359	1358	1357	1356	1355	1354	1353	1352	1351	1350	1349	1348	1347	1346	1345	1344	1343	1342	1341	1340	1339	1338	1337	1336	1335	1334	1333	1332	1331	1330	1329	1328	1327	1326	1325	1324	1323	1322	1321	1320	1319	1318	1317	1316	1315	1314	1313	1312	1311	1310	1309	1308	1307	1306	1305	1304	1303	1302	1301	1300	1299	1298	1297	1296	1295	1294	1293	1292	1291	1290	1289	1288	1287	1286	1285	1284	1283	1282	1281	1280	1279	1278	1277	1276	1275	1274	1273	1272	1271	1270	1269	1268	1267	1266	1265	1264	1263	1262	1261	1260	1259	1258	1257	1256	1255	1254	1253	1252	1251	1250	1249	1248	1247	1246	1245	1244	1243	1242	1241	1240	1239	1238	1237	1236	1235	1234	1233	1232	1231	1230	1229	1228	1227	1226	1225	1224	1223	1222	1221	1220	1219	1218	1217	1216	1215	1214	1213	1212	1211	1210	1209	1208	1207	1206	1205	1204	1203	1202	1201	1200	1199	1198	1197	1196	1195	1194	1193	1192	1191	1190	1189	1188	1187	1186	1185	1184	1183	1182	1181	1180	1179	1178	1177	1176	1175	1174	1173	1172	1171	1170	1169	1168	1167	1166	1165	1164	1163	1162	1161	1160	1159	1158	1157	1156	1155	1154	1153	1152	1151	1150	1149	1148	1147	1146	1145	1144	1143	1142	1141	1140	1139	1138	1137	1136	1135	1134	1133	1132	1131	1130	1129	1128	1127	1126	1125	1124	1123	1122	1121	1120	1119	1118	1117	1116	1115	1114	1113	1112	1111	1110	1109	1108	1107	1106	1105	1104	1103	1102	1101	1100	1099	1098	1097	1096	1095	1094	1093	1092	1091	1090	1089	1088	1087	1086	1085	1084	1083	1082	1081	1080	1079	1078	1077	1076	1075	1074	1073	1072	1071	1070	1069	1068	1067	1066	1065	1064	1063	1062	1061	1060	1059	1058	1057	1056	1055	1054	1053	1052	1051	1050	1049	1048	1047	1046	1045	1044	1043	1042	1041	1040	1039	1038	1037	1036	1035	1034	1033	1032	1031	1030	1029	1028	1027	1026	1025	1024	1023	1022	1021	1020	1019	1018	1017	1016	1015	1014	1013	1012	1011	1010	1009	1008	1007	1006	1005	1004	1003	1002	1001	1000	999	998	997	996	995	994	993	992	991	990	989	988	987	986	985	984	983	982	981	980	979	978	977	976	975	974	973	972	971	970	969	968	967	966	965	964	963	962	961	960	959	958	957	956	955	954	953	952	951	950	949	948	947	946	945	944	943	942	941	940	939	938	937	936	935	934	933	932	931	930	929	928	927	926	925	924	923	922	921	920	919	918	917	916	915	914	913	912	911	910	909	908	907	906	905	904	903	902	901	900	899	898	897	896	895	894	893	892	891	890	889	888	887	886	885	884	883	882	881	880	879	878	877	876	875	874	873	872	871	870	869	868	867	866	865	864	863	862	861	860	859	858	857	856	855	854	853	852	851	850	849	848	847	846	845	844	843	842	841	840	839	838	837	836	835	834	833	832	831	830	829	828	827	826	825	824	823	822	821	820	819	818	817	816	815	814	813	812	811	810	809	808	807	806	805	804	803	802	801	800	799	798	797	796	795	794	793	792	791	790	789	788	787	786	785	784	783	782	781	780	779	778	777	776	775	774	773	772	771	770	769	768	767	766	765	764	763	762	761	760	759	758	757	756	755	754	753	752	751	750	749	748	747	746	745	744	743	742	741	740	739	738	737	736	735	734	733	732	731	730	729	728	727	726	725	724	723	722	721	720	719	718	717	716	715	714	713	712	711	710	709	708	707	706	705	704	703	702	701	700	699	698	697	696	695	694	693	692	691	690	689	688	687	686	685	684	683	682	681	680	679	678	677	676	675	674	673	672	671	670	669	668	667	666	665	664	663	662	661	660	659	658	657	656	655	654	653	652	651	650	649	648	647	646	645	644	643	642	641	640	639	638	637	636	635	634	633	632	631	630	629	628	627	626	625	624	623	622	621	620	619	618	617	616	615	614	613	612	611	610	609	608	607	606	605	604	603	602	601	600	5
------------	-------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	---



## AUTHORISED UNIT TRUSTS

Int'l Charge	Conc. Price	Bid Price	Offer + or Price -	Yield Gr
-----------------	----------------	--------------	-----------------------	-------------

[illegible]

## Guide to pricing of Authorised Unit Trusts

Compiled with the assistance of Lautro §

**INITIAL CHARGE:** Charge made on sale of **HISTORIC PRICING:** The letter H denotes

**NEER PRICE:** Also called *net price*. The price of a product after all discounts and allowances are subtracted from the gross price. Used to display marketing and administrative costs, including commission paid to intermediaries. This charge is included in the price of units.

**BID PRICE:** Also called redemption price. The price at which units are sold back by investors.

**CANCELLATION PRICE:** The minimum redemption price. The minimum spread between the offer and bid prices is determined by a formula laid down in the prospectus. A refund will be made if the price is not met.

down by the government. In practice, most unit  
broad managers quote a much narrower spread. As a  
result, the bid price is often set above the  
cancellation price. However, the bid price might be  
price in advance of the purchase or sale being  
carried out. The prices appearing in the newspaper  
are the most recent provided by the managers.

**TIME:** The time shown alongside the fund

The symbols are as follows: (001) - 0.001 to 1.000

59 Life Assurance and Holt Trust  
Regulatory Corporation,  
Centre Point,  
1815 New Oxford Street, London WC1A 1TH

183 New Oxford Street, London WC1A 1RN  
Tel: 071 - 376 - 9444.

\_\_\_\_\_

25-31 Moorgate, London, EC2R 6BA	071-588 3963
PMI County Gls	5 127 2 127 2 135 31
PMI Int'l. & GEP	5 105 9 105 9
PMI Asia-Pacific Gls	112 6 0 8 3 44

PM Rth Amer Gth	5	87 47	87 47	93 03	46 49	12	Do Acorn	5 1/2	236 3	231 3	231 3	10
PM Europen Gth	5	64 70	64 70	68 34	44 42	2 07	Rail Growth Inc	5 1/2	157 4	159 1m	169 3	10 27
PM Japan Gth	5	73 96	74 20	78 93	- 08	-	Do Acorn	5 1/2	170 1	172 0m	183 0	10 27
PM Overseas Gth	5	58 54	58 54	62 27	+ 0 4	0 89	W Wide World Inc	5 1/2	67 51	68 14	72 49	10 26
Prudential Gth	5	58 54	58 54	62 27	+ 0 4	0 89	Do Acorn	5 1/2	76 42	77 13	82 94	10 26

**Prudential Unit Trusts Ltd (1200)F**  
 51-69 Ilford Hill, Ilford, Essex IG1 2DL 081-478 3377  
 Client Enquiry: 081-478 3377  
 Intermediary Dealing 0800 010567

**Scottish Provident Inv Mgt Ltd (1000)F**  
 6 St Andrew Sq, Edinburgh EH2 2YA 031-558 2327  
 Equity Growth Acc. 01-32 232 285

Profit/loss 066 925091									
Production Manned Vc	6	23.27	23.82	25.17	-0.61	13.50			
Production Cash Allow Inc	6	19.91	20.12	21.51	-0.02	0.50			
Production Cash Allow Acc	6	23.90	24.14	25.84	-0.18	1.37			
Production Cash Allow Inc	6	22.74	22.47	24.58	-0.09	1.37			
Production Cash Allow Acc	6	28.17	28.28	30.27	-0.20	4.20			

Presidential Equity Inc.	6	74.37	74.37	75.31	0.11	1.70	Global Income Inc.	6	22.26	22.35	23.92	0.15	4.20
Presidential Equity	6	618.63	618.63	661.63	0.89	4.55	Market Leaders Acc	6	23.90	24.10	25.80	0.01	3.57
Presidential European	6	152.22	152.22	162.80	0.21	2.07	Market Leaders Inc	6	28.15	28.33	29.76	0.01	5.57
Presidential High Income	6	79.34	79.34	84.87	0.21	5.77							
Presidential Int'l G-10	6	135.99	135.99	145.44	0.01	0.01							

Presidential Int'l Sec Co.	6	57.95	1.56	94.44	0.84	1.05	Sumcon windows Fund Mgmt (000000)	
Presidential Japan	6	126.14	57.73	61.76	0.84	1.05	PB Box 902, Edinburg	EN165BU
Presidential Wth Acct	6	129.92	128.14	134.90	-0.27	0.80	Equity Acct	6
Presidential Pacif Mkt	6	62.59	62.59	66.94	-0.36	0.50	Equity Inc	6
Presidential Power	6	42.75	42.75	42.75	-0.00	2.10	UK High Inc Acct	6

Prudential Prudential Inc.	-6	87.75	97.75	99.72	+10	7.70
Prudential Ssn Cos.	-6	73.10	73.10	78.18	-1.72	2.68
Prudential Spec Sfts.	-6	91.37	91.37	97.72	-6.25	2.75
Prudential Rth Growth	-6	103.09	103.09	110.25	-7.25	6.53
<b>*Formerly Holloway Trust</b>						
UK High Inc.	-6	155.0	211.2	222.2	-1	0.41
Eurocan Acc.	-6	234.1	234.1	267.5	-1	0.40
Eurocan Inc.	-6	234.1	234.1	261.8	+0.4	1.40
Rth Amer Acc.	-6	189.6	190.5	201.8	+0.9	0.38
Rth Amer Inc.	-6	189.6	190.5	203.2	-0.3	0.38

[illegible]

Reliance (Acc) .....	6129.5	239.5	261.4	-0.32.81	DA South Asia Inc ..	6191.18	93.03	99.22	-0.33.94
					South East Asia ..	6121.3	122.8	131.0	+1.31.07

**Rock Asset Mgmt (Unit Trust) Ltd (0905)F**  
Park View House, Frost Street, Benton  
Newcastle upon Tyne NE2 2ZT

**Semper Eastern Fund Mgmt Ltd (1200)F**  
Ardale 5, Rivington, York

Accountant upon 1980 NE 712  
Managed . . . . . 5175.02 75.98ad 80.61... ..12.93

Admin 5 Rayleigh Rd, Hutton, Breckwood, Essex  
Caravans 0277 227300 Dealers 0277 261016  
Sector Recovery ... 5116.50 121.50ad 23.401... ..15.24



● Current Unit Trust prices are available from FT Cityline. For further details call ( 071 ) 925 2128.

Continued on next page



...to this team ET Cycling. For further details call ( 071 ) 925 2128.

**FT MANAGED FUNDS SERVICE**

هكذا من الأصل



● Current Unit Trust prices are available from FT Cityline. For further details call (071) 925 2128.

\* Prices on Jan 7 Next Pricing Jan 14 Weekly Pricing



## CURRENCIES, MONEY AND CAPITAL MARKETS

## FOREIGN EXCHANGES

## Resignation raises tensions

THERE was a small rise in tension inside the European Exchange Rate Mechanism last night as Mr Poul Schlüter's resignation as Danish prime minister raised concerns that Denmark's krone might come under renewed selling pressure, writes James Blyth.

Mr Schlüter's resignation came at 5 pm London time yesterday, well after the close of official ERM trading. Markets had little time for a considered reaction.

After opening in London at Dkr3.8615 to the D-Mark, the krone weakened in the European morning to around Dkr3.8750 to the D-Mark. Following the resignation announcement, it was quoted at Dkr3.8646 at lunchtime in the US, some above its ERM floor of Dkr3.9016.

The main concern of currency traders is that political tension in Copenhagen may create doubts about Denmark's ratification of the Maastricht treaty in its second referendum on the issue this spring.

Mr Schlüter's call for the finance minister, Mr Henning Dyrmose, to replace him raised suggestions that a big change in Danish politics was not imminent.

However, Mr Steve Hannah,

head of research at IBI International in London, said that there was certain to be pressure on the currency in the next few days. "In the very short term, the resignation is negative, because any uncertainty is not liked by the markets," he said.

The Irish punt also came under renewed pressure in an attempt to avert a threatened rise in commercial base rates which would further hurt the Irish economy.

The central bank announced yesterday that it was dropping its overnight lending rate to 15 per cent from 30 per cent.

However, in afternoon trading in the US, the punt was quoted at Nfi 2.9599, only narrowly above its ERM floor of Nfi 2.9510.

According to Mr John Hall, an international economist at Swiss Banking Corp in London, the progressive cuts in Irish interest rates raised concerns about the new government's willingness to defend the currency.

"They have taken every opportunity to cut rates this week," he said. "If they really wanted to defend the currency, they should have kept rates high."

Sterling fell sharply against the D-Mark yesterday, amidst rumours that the UK government was planning to cut base rates in conjunction with today's figures for the retail price index.

Far from encouraging the belief that rates will be cut, the UK authorities have been adamant that monetary policy is on hold for the time being.

However, sterling fell by 2.25 pence against the D-Mark yesterday, closing at Dm2.4900.

## EMS EUROPEAN CURRENCY UNIT RATES

	Unit	Rate	% Change	% Spread	Difference
Portugal Escudo	100	175.864	-3.47	4.80	52
Spanish Peseta	100	166.639	-3.77	4.80	52
French Franc	100	6.54593	-0.73	1.20	28
German Mark	100	1.93627	-0.52	1.60	25
Italian Lira	1,000	1,936.27	-0.52	1.60	25
Irish Punt	100	2.9599	0.00	0.00	0
Dutch Guilder	100	2.20371	0.00	0.00	0
Swedish Krona	100	4.66335	0.00	0.00	0
Finland Markka	100	5.94573	0.00	0.00	0

For a full list of EMS currency unit rates, see the Financial Times website at <http://www.ft.com>.

## POUND SPOT - FORWARD AGAINST THE POUND

Jan 14	Day's	Close	One month	Three months	Six months	One year
US	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Canada	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Netherlands	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Belgium	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Denmark	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
France	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Germany	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Italy	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Spain	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Sweden	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Switzerland	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Japan	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375

Commercial rates taken towards the end of London trading. Six-month forward dollar 2.49-2.50. 12-month 2.49-2.50.

## DOLLAR SPOT - FORWARD AGAINST THE DOLLAR

Jan 14	Day's	Close	One month	Three months	Six months	One year
UK	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Canada	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Netherlands	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Belgium	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Denmark	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
France	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Germany	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Italy	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Spain	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Sweden	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Switzerland	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Japan	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375

Commercial rates taken towards the end of London trading. 7 UK and ECU are quoted in US currency. Forward premiums and discounts apply to the US dollar and not to the individual currencies.

## EURO-CURRENCY INTEREST RATES

Jan 14	Short	7 days	One month	Three months	Six months	One year
US	6.5	6.5	6.5	6.5	6.5	6.5
UK	6.5	6.5	6.5	6.5	6.5	6.5
Canada	6.5	6.5	6.5	6.5	6.5	6.5
Netherlands	6.5	6.5	6.5	6.5	6.5	6.5
Belgium	6.5	6.5	6.5	6.5	6.5	6.5
Denmark	6.5	6.5	6.5	6.5	6.5	6.5
France	6.5	6.5	6.5	6.5	6.5	6.5
Germany	6.5	6.5	6.5	6.5	6.5	6.5
Italy	6.5	6.5	6.5	6.5	6.5	6.5
Spain	6.5	6.5	6.5	6.5	6.5	6.5
Sweden	6.5	6.5	6.5	6.5	6.5	6.5
Switzerland	6.5	6.5	6.5	6.5	6.5	6.5
Japan	6.5	6.5	6.5	6.5	6.5	6.5

Long term Eurodollar rates (10-15 years) are 5.5-5.75 per cent; three months 5.5-5.75 per cent; six months 5.5-5.75 per cent; one year 5.5-5.75 per cent. Short term rates are for US dollar and Japanese Yen; others, one day, one month.

## EXCHANGE CROSS RATES

Jan 14	Jan 14	Jan 14	Jan 14	Jan 14	Jan 14	Jan 14
US	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Canada	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Netherlands	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Belgium	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Denmark	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
France	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Germany	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Italy	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Spain	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Sweden	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Switzerland	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375
Japan	1.5375	1.5375	1.5375	1.5375	1.5375	1.5375

For a full list of exchange cross rates, see the Financial Times website at <http://www.ft.com>.

## FINANCIAL FUTURES AND OPTIONS

## LIFE LONG GILT FUTURES OPTIONS

Strike	Call	Put	Call	Put
100	0.10	0.10	0.10	0.10
101	0.10	0.10	0.10	0.10
102	0.10	0.10	0.10	0.10
103	0.10	0.10	0.10	0.10
104	0.10	0.10	0.10	0.10
105	0.10	0.10	0.10	0.10
106	0.10	0.10	0.10	0.10
107	0.10	0.10	0.10	0.10
108	0.10	0.10	0.10	0.10
109	0.10	0.10	0.10	0.10
110	0.10	0.10	0.10	0.10

Estimated volume total, Call 40 Puts 0  
Previous day's open lot, Call 40 Puts 0

## LIFE LONG GILT FUTURES OPTIONS

Strike	Call	Put	Call	Put
100	0.10	0.10	0.10	0.10
101	0.10	0.10	0.10	0.10
102	0.10	0.10	0.10	0.10
103	0.10	0.10	0.10	0.10
104	0.10	0.10	0.10	0.10
105	0.10	0.10	0.10	0.10
106	0.10	0.10	0.10	0.10
107	0.10	0.10	0.10	0.10
108	0.10	0.10	0.10	0.10
109	0.10	0.10	0.10	0.10
110	0.10	0.10	0.10	0.10

Estimated volume total, Call 40 Puts 0  
Previous day's open lot, Call 40 Puts 0

## LIFE LONG GILT FUTURES OPTIONS

Strike	Call	Put	Call	Put
100	0.10	0.10	0.10	0.10
101	0.10	0.10	0.10	0.10
102	0.10	0.10	0.10	0.10
103	0.10	0.10	0.10	0.10
104	0.10	0.10	0.10	0.10
105	0.10	0.10	0.10	0.10
106	0.10	0.10	0.10	0.10
107	0.10	0.10	0.10	0.10
108	0.10	0.10	0.10	0.10
109	0.10	0.10	0.10	0.10
110	0.10	0.10	0.10	0.10

Estimated volume total, Call 40 Puts 0  
Previous day's open lot, Call 40 Puts 0

## LIFE LONG GILT FUTURES OPTIONS

Strike	Call	Put	Call	Put
100	0.10	0.10	0.10	0.10
101	0.10	0.10	0.10	0.10
102	0.10	0.10	0.10	0.10
103	0.10	0.10	0.10	0.10
104	0.10	0.10	0.10	0.10
105	0.10	0.10	0.10	0.10
106	0.10	0.10	0.10	0.10
107	0.10	0.10	0.10	0.10
108	0.10	0.10	0.10	0.10
109	0.10	0.10	0.10	0.10
110	0.10	0.10	0.10	0.10

Estimated volume total, Call 40 Puts 0  
Previous day's open lot, Call 40 Puts 0

## LIFE LONG GILT FUTURES OPTIONS

Strike	Call	Put	Call	Put
100	0.10	0.10	0.10	0.10
101	0.10	0.10	0.10	0.10
102	0.10	0.10	0.10	0.10
103	0.10	0.10	0.10	0.10
104	0.10	0.10	0.10	0.10
105	0.10	0.10	0.10	0.10
106	0.10	0.10	0.10	0.10
107	0.10	0.10	0.10	0.10
108	0.10	0.10	0.10	0.10
109	0.10	0.10	0.10	0.10
110	0.10	0.10	0.10	0.10

Estimated volume total, Call 40 Puts 0  
Previous day's open lot, Call 40 Puts 0

## LIFE LONG GILT FUTURES OPTIONS

Strike	Call	Put	Call	Put
100	0.10	0.10	0.10	0.10
101	0.10	0.10	0.10	0.10
102	0.10	0.10	0.10	0.10
103	0.10	0.10	0.10	0.10
104	0.10	0.10	0.10	0.10
105	0.10	0.10	0.10	0.10
106	0.10	0.10	0.10	0.10
107	0.10	0.10	0.10	0.10
108	0.10	0.10	0.10	0.10
109	0.10	0.10	0.10	0.10
110	0.10	0.10	0.10	0.10

Estimated volume total, Call 40 Puts 0  
Previous day's open lot, Call 40 Puts 0

## LIFE LONG GILT FUTURES OPTIONS

Strike	Call	Put	Call	Put
100	0.10	0.10	0.10	0.10
101	0.10	0.10	0.10	0.10
102	0.10	0.10	0.10	0.10
103	0.10	0.10	0.10	0.10
104	0.10	0.10	0.10	0.10
105	0.10	0.10	0.10	0.10
106	0.10	0.10	0.10	0.10
107	0.10	0.10	0.10	0.10
108	0.10	0.10	0.10	0.10
109	0.10	0.10	0.10	0.10
110	0.10	0.10	0.10	0.10

Estimated volume total, Call 40 Puts 0  
Previous day's open lot, Call 40 Puts 0

## LIFE LONG GILT FUTURES OPTIONS

Strike	Call	Put	Call	Put
100	0.10	0.10	0.10	0.10
101	0.10	0.10	0.10	0.10
102	0.10	0.10	0.10	0.10
103	0.10	0.10	0.10	0.10
104	0.10	0.10	0.10	0.10
105	0.10	0.10	0.10	0.10
106	0.10	0.10	0.10	0.10
107	0.10	0.10	0.10	0.10
108	0.10	0.10	0.10	0.10
109	0.10	0.10	0.10	0.10
110	0.10	0.10	0.10	0.10

Estimated volume total, Call 40 Puts 0  
Previous day's open lot, Call 40 Puts 0

## LIFE LONG GILT FUTURES OPTIONS



## WORLD STOCK MARKETS

[illegible]



3:15 pm January 14

## NEW YORK STOCK EXCHANGE COMPOSITE PRICES

[illegible]

Continued on next page



[illegible]

on January 14

[illegible]

Perrier bottle

3 pm January 14

[illegible]

## SINGAPORE

**The FT proposes to pull**

lish this survey on  
March 1 1993

**For further  
information telephone**

Samantha Telfer  
071-873 3050

**Fax:**  
**071-873 3595**

or

**Sarah**

**Pakenham-Walsh**  
(Hong Kong

office)  
(852) 868 2863

**Fax:**  
**(852) 537 1211**

## FT SURVEYS

## APPENDIX

\_\_\_\_\_

9



## AMERICA

## Growth stock focus eases Dow's decline

## Wall Street

BLUE CHIPS once again lagged behind the broader market as demand for technology and small-cap growth stocks helped to offset earnings disappointments elsewhere, writes Patrick Harverson in New York.

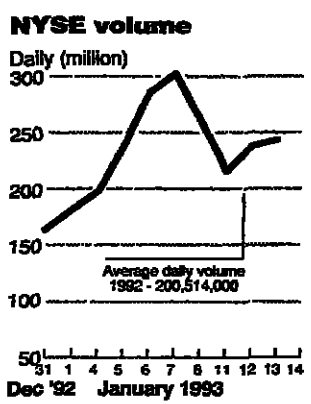
At 1 pm, the Dow Jones Industrial Average was down 6.75 at 2,256.81. The more broadly based Standard & Poor's 500 was up 0.41 at 433.44, while the Amex composite was up 1.57 at 400.13. The Nasdaq composite, up 5.62 at 692.40, was in record territory once again. Trading volume on the NYSE was 157m shares by 1 pm.

News of a \$2,000 rise in weekly jobless claims surprised the market, because the drop reversed the recent trend for improving job market conditions. This was offset by better news on retail sales, which rose 1.2 per cent in December. There was also good news on inflation, with the labor department announcing that producer prices advanced just 0.2 per cent last month.

With many investors still apprehensive about the immediate outlook for stock prices and willing to wait until the quarterly reporting season is over, leading issues remained

locked in a narrow range. Leading indices were pulled in different directions by a big loss in JP Morgan on disappointing figures and a solid rise in some big technology issues which reported stronger than expected earnings.

JP Morgan dropped \$3 to \$61 in volume of 1.3m shares



after reporting that profits rose 11 per cent in the fourth quarter to \$238m, or \$1.48 a share. Although the net income figure was slightly higher than forecasts, analysts were disappointed with JP Morgan's operating earnings.

Motorola jumped \$8 to \$120.75 as investors reacted positively to the news that fourth quarter

profits reached \$181m, up from \$126m a year earlier.

Digital Equipment was also in favour, soaring \$6 1/4 to \$41 in volume of 3.2m shares on the news that the computer group's fiscal second quarter losses narrowed to \$73.8m, down from a figure of \$155.2m a year ago.

The good news from the sector lifted other technology stocks, with IBM rising 1 1/4 to \$49.9, Compaq putting on \$1 at \$52 1/4 and Hewlett-Packard adding \$1 1/4 to \$72 1/4.

Coca-Cola jumped \$1 1/4 to \$43 on reports that international unit case volume in December was 11 per cent higher than the year before, a big improvement on previous estimates of overseas sales growth.

## Canada

TORONTO stocks were steady but slightly off morning highs in active midday trading as the market absorbed a spate of corporate news.

The TSE 300 index edged up 1.1 to 3,339.4 in volume of 23.5m shares valued at C\$183.7m. Advances outstripped declines by 23 to 185, with 235 issues unchanged.

Molson A shares rose C\$1 to C\$29.94 on news that Philip Morris unit, Miller Brewing Co, will buy 20 per cent of Molson Breweries for US\$272m.

## EUROPE

## Frankfurt cheered by Siemens results

BOURSES were mostly stronger yesterday, writes Our Markets Staff.

FRANKFURT brightened on unexpectedly strong results from Siemens, which posted higher 1991-92 profits and a 2 per cent gain in net for the first three months of the current year, against expectations of a 5 to 10 per cent decline. The stock rose DM5.50 to DM578.90, enhanced by short-covering.

The DAX index added 7.24 to 1,523.74 as German market turnover fell from DM4.3bn to DM3.7bn.

Volkswagen, which had hit DM254.40 in late trading on Wednesday, recovered to close at DM259.40, 90 pf higher on the official session. Mr Michael Geller of NatWest Securities said that spending cuts announced on Wednesday were not deep enough and would not produce the savings required to make the shares attractive at this level.

The specialty retailer, Douglas, rose DM15 to DM426 on a 7 per cent gain in group turnover for 1992. Allianz showed little reaction to car insurance

## FT-SE Actuaries Share Indices

January 14		Open		High		Low		Close	
FT-SE 100	10713	10713	10713	10713	10713	10713	10713	10713	10713
FT-SE 250	11521	11521	11521	11521	11521	11521	11521	11521	11521
FT-SE 350	11521	11521	11521	11521	11521	11521	11521	11521	11521

losses, the result of car thefts, gaining DM1.956.

PARIS rallied on hopes of lower interest rates, and the CAC-40 index ended 21.01 higher at 1,803.54 in turnover of FF7.6bn.

Interest-sensitive stocks were in the limelight as Euro-tunnel jumped FF2.10 to 6.9 per cent to FF32.70 in heavy volume of 3.9m shares. Paribas put on FF16.90 or 4.8 per cent to FF371.90 and Suez added FF12 to FF225.

Rhone-Poulenc CIs fell FF15 or 2.2 per cent to FF511 as investors were disappointed to read in a French newspaper that the company expected its 1992 operating profit increase

reported improved 1992 sales.

MILAN ended higher ahead of the close of the account today, on continued expectations that the cabinet would approve fiscal incentives for equity investors. The Comit index rose 9.33 to 468.18 in turnover estimated at less than Wednesday's heavy 1,289.4bn.

However, savings shares came under pressure on fears of a negative announcement regarding the convertibility of savings shares into ordinary shares. Savings shares in Credito Italiano lost 1.46 or 1.1 per cent to L1,903 while Banca Commerciale's savings shares slipped L134 or 3.7 per cent to L3,504.

After the close, Iri said that savings shares in Credito Italiano will not be converted into ordinary stock prior to the bank's privatisation.

MADRID rose on strong foreign interest and the general index put on 3.92 to 223.98 in high turnover of Pta24.5bn. Electrical utilities showed some of the best gains on hopes of lower interest rates, with Iberdrola Pta18 higher at

Pta718. Tabacalera rose Pta115 to Pta4,315 on reports that it planned to sell a 50 per cent stake in its Royal Brands subsidiary while Telefonica advanced Pta65 to Pta1,245.

ZURICH transferred its attention from financials to industrials as the SMI index rose 27.6 or 1.3 per cent to 2,104.3. Dealers said that foreign money was mostly attracted to the banking and insurance sectors, and Winterthur rose another SF80 to SF3,020.

TSL AVIV recovered strongly after three days of profit-taking. The blue chip index jumped 4.37 or 2.15 per cent in turnover of Shk177m.

COPENHAGEN closed 2.5 per cent lower on fears that the prime minister, Mr Poul Schluter, might be forced to resign following the release of a damaging judicial report on a refugee scandal. The KFX top-20 index fell 1.92 to 75.17.

STOCKHOLM closed lower despite a drop in money market rates. The Allstarindex General index slipped 7.9 to 922.6 in turnover of SKR666m.

## ASIA PACIFIC

## Nikkei index marks time as region moves ahead

## Tokyo

THE NIKKEI average closed marginally lower in thin trading ahead of a public holiday, but underlying sentiment remained gloomy, writes Bethan Hutton in Tokyo.

The 225-share Nikkei lost 2.31 at 16,515.60, after trading in a narrow range around the 16,500 mark all day and setting a low for the session of 16,437.84 and a high of 16,568.93.

Volume contracted from Wednesday's 203.4m shares to around 170m, as many investors stayed on the sidelines in advance of the long weekend. Declining stocks continued to outnumber gains, by 569 to 277, and 208 issues closed unchanged.

The broader Topix index of all first section shares ended 3.55 points down at 1,267.91, but in London the ISE/Nikkei 50 index edged ahead 1.32 to 1,029.86.

Selling by specified money trusts was balanced by support buying from public pension funds and investment trusts when the Nikkei slipped below the 16,500 barrier.

Events in the Gulf had little effect on the market, as the US strike against Iraq had been widely expected. Brokers said oil issues would not be affected unless more serious fighting broke out. Nippon Oil was unchanged at ¥580.

Department stores lost ground after figures released the previous day showed December sales down 11.2 per cent on the year, and sales for the whole of 1992 down 5.7 per cent on 1991. Mitsukoshi slipped ¥3 to ¥727, Daimaru retreated ¥11 to ¥535 and Hankyu dropped ¥47 to ¥770.

Small gains were seen in

stocks expected to benefit from growing indications that an economic recovery is under way in the US. In particular, computer and electronics-related sectors drew some buying interest. TDK put on ¥10 at ¥3,500, Mitsubishi Electric firm Y2 to Y472 and Matsushita Electric Industrial added ¥10 at ¥1,100, but NEC finished ¥6 off at ¥636.

Producers of interferon were hit by high volume selling for a second day on news that the Health Ministry wants to limit the drug's prescription for Hepatitis C patients. Sumitomo Chemical fell ¥13 to ¥418, after losing ¥24 the day before, while its specialist trading affiliate Inabata dipped ¥10 to ¥1,050. Toray Industries dropped a further ¥14 to ¥615.

NTT, the telecommunications group, weakened for the eighth consecutive day, closing ¥4,000 cheaper at ¥528,000 after low volume.

In Osaka the OSE index declined 113.58 to 13,051.76, with 71.4m shares traded.

## Roundup

SHRUGGING OFF events in the Middle East, most of the Pacific Rim region's markets improved yesterday.

HONG KONG retained its impetus from overseas institutional investors, attracted by the colony's still-booming economy and low price/earnings ratios and less nervous over its political outlook than the locals. The Hang Seng index closed 111.42 higher at 5,890.16 for a four-day gain of 6.5 per cent.

Among the most active issues, HSBC finished 50 cents ahead at HK\$60.50, Hang Seng Bank 50 cents up at HK\$56.50 and Hutchison Whampoa 30

cents higher at HK\$16.50.

SINGAPORE rebounded as investors bought index-linked stocks, the Straits Times Industrial index rising 25.46 to 1,558.40 in volume of 84.46m shares, against 94.88m on Wednesday.

Malaysian motor shares were in focus after news that the government had eased financing rules for vehicle purchases.

KUALA LUMPUR matched Singapore's interest in its own motor stocks, Tan Chong, UMW Holdings, Oriental Holdings and Cycle & Carriage Bintaung firms between 37 and 60 cents each as the composite index appreciated 5.33 to 619.81.

TAIWAN was encouraged by expectations that parliament would pass legislation today or tomorrow reducing the stock transaction tax. The weighted index advanced 69.63, or 2.2 per cent, to 3,397.56 in turnover of T\$1.6bn.

BOMBAY looked ahead to the February 28 national budget, rather than back at three days of riots, and the BSE index rose 39.11 to 2,458.67.

AUSTRALIA featured Westpac following the resignations of Mr Kerry Packer and another director over a dispute about the bank's restructuring plans. The stock fell 18 cents to A\$2.91 in high volume of 11.3m shares. The All Ordinaries index ended 12.4 higher at 1,507.4, helped by a fall in the December unemployment rate.

SOUTH AFRICA OVERSEAS interest in De Beers, up R2.25 to R68.25, lifted Johannesburg and the overall index closed 15 higher at 4,550, but the gold index declined 6 to 791 as bullion prices weakened.

## Rosier political climate lifts Latin America

John Pitt reviews the performance of the world's emerging markets last December

Latin America showed strong gains among emerging markets last month. In dollar terms, Argentina rose by 19.5 per cent while Brazil was just behind with 16 per cent, according to data provided by the IFC, part of the World Bank.

Argentina has recovered well since hitting year lows in November. Mr Veronica Berger, at Latin American Securities in London, says economic prospects have greatly improved: "The bulk of the privatisation programme was successfully carried out in 1992, IMF fiscal targets were met and latest real GDP growth estimates are around 9 per cent."

Much of this was due to a political willingness to tackle inflation. The virtual elimination of the budget deficit has already cut the rate to 20 per cent a year, from nearly 200 per cent a month in July 1989.

The stock market was also assisted by the completion of the privatisation of Gas del Estado, and investors are now waiting for the sale later this year of a 70 per cent stake in YPF, the state oil group and the country's largest company.

Brazil has also gained from an improved political climate following the resignation of President Fernando Collor de Mello. Although Mr Collor delayed his departure until December 29, just before his impeachment trial on corruption charges was to begin in the senate, the market began its rally about a week before.

This following a decision by the then-acting president, Mr Itamar Franco, to allow Telebras, the telecommunications group, to increase tariffs by some 6 per cent in real terms over the next six months. This went against his earlier statements that prices would be kept down to fight inflation and make the service more accessible to the lower paid.

Since then the new government has unveiled its economic blueprint with the aim of lowering interest rates, investing some \$4bn in infrastructure, health and education projects, and increasing the minimum salary.

Indonesia, which lost 7 per cent in dollar terms, was the worst performer in December. Sentiment was depressed by the decline in Astra's share price as the founding Soeryadaya family sold heavily to help pay off the obligations of their privately owned Bank Summa, which was ordered into liquidation by the central bank on December 14. The family eventually lost majority control of the automotive group as the year closed.

Wardley James Capel remains bullish about Indonesia. "We feel that the banking crisis and the Astra fiasco has been overdone and that earnings per share growth will surpass in 1993 and 1994," the broker says in a recent comment.

Wardley offers some words of caution too. "Our major concern is the possible massive explosion of scrip supply; and how long it will be before investors start the families enough to start buying again."

## IFC EMERGING MARKETS PRICE INDICES

Market	No. of stocks	Dollar terms			Local currency terms		
		Dec 31 1992	% Change over month	% Change on Dec '91	Dec 31 1992	% Change over month	% Change on Dec '91
Latin America	(29)	930.59	+19.5	-27.5	51,471,143	+20.1	-27.6
Argentina	(69)	104.68	+16.0	-0.2	392,110,509	+42.7	+1,020.4
Brazil	(35)	1,729.16	+2.6	+12.1	5,105.93	+2.9	+14.4
Chile	(20)	1,093.96	+2.8	+35.7	7,790.78	+4.1	+56.2
Colombia	(66)	1,718.99	+4.9	+16.6	27,700.87	+5.0	+19.6
Mexico	(17)	386.25	+3.5	-42.9	4,025.25	+4.6	-26.6
Venezuela	(1)	285.11	-0.5	-0.3	271.81	-0.2	+3.6
South Korea	(30)	1,682.69	-4.2	+17.1	2,134.02	-3.2	+12.2
Philippines	(70)	454.40	-6.8	-27.9	289.71	-7.6	-28.8
Taiwan, China	(62)	323.68	+2.3	+17.8	746.01	+4.1	-30.7
India	(63)	53.74	-7.1	-3.6	61.71	-6.9	-4.3
Indonesia*	(62)	178.90	-4.3	+24.5	192.91	-1.2	+19.7
Malaysia	(58)	235.73	+0.2	-26.2	381.20	-0.5	-23.5
Pakistan	(51)	412.75	+3.8	+30.2	387.66	+3.7	+32.5
Thailand	(32)	275.92	+1.7	-33.4	483.03	+5.5	-18.0
Euro/Mid East	(27)	115.74	+5.5	+20.4	208.97	+5.2	+20.6
Jordan	(30)	329.99	-1.4	-23.2	312.16	+1.5	-15.5
Portugal†	(25)	33.54	-2.2	-60.6	377.59	+1.6	-33.0

Source: International Finance Corporation. Base date: Dec 1984 = 100. \*Dec 1989 = 100. †Jan 1988 = 100. ‡Dec 1986 = 100.

## FT-ACTUARIES WORLD INDICES

Jointly compiled by The Financial Times Limited, Goldman, Sachs & Co. and NatWest Securities Limited in conjunction with the Institute of Actuaries and the Faculty of Actuaries

WEDNESDAY JANUARY 13 1993										TUESDAY JANUARY 12 1993										DOLLAR INDEX											
Figures in parentheses show number of lines of stock												Figures in parentheses show number of lines of stock																			
US Dollar Index	Day's Change %	Pound Sterling Index	Yen Index	DM Index	Local Currency Index	Local % chg on day	Gross Div. Yield	US Dollar Index	Day's Change %	Pound Sterling Index	Yen Index	DM Index	Local Currency Index	Local % chg on day	Gross Div. Yield	US Dollar Index	Day's Change %	Pound Sterling Index	Yen Index	DM Index	Local Currency Index	Local % chg on day	Gross Div. Yield	US Dollar Index	Day's Change %	Pound Sterling Index	Yen Index	DM Index	Local Currency Index	Local % chg on day	Gross Div. Yield
Australia (68)	117.39	-1.5	113.05	93.50	99.84	116.09	-1.1	4.19	119.14	114.70	94.33	101.09	117.32	153.68	108.18	149.03															
Austria (18)	132.11	-0.1	127.22	105.22	112.13	111.74	-0.4	2.19	132.11	127.22	105.22	112.13	111.74	-0.4	2.19	132.11															
Belgium (42)	134.03	+0.2	129.07	106.74	113.75	111.06	+0.5	5.15	133.82	128.83	105.94	113.54	110.88	152.27	131.19	149.03															
Canada (113)	112.57	-0.6	108.40	89.85	85.53	104.50	-0.4	3.23	113.26	109.04	88.89	96.08	104.89	142.12	111.36	140.73															
Denmark (33)	180.05	+0.4	183.02	151.37	161.30	162.97	+0.3	1.88	183.37	182.31	149.83	160.67	182.45	274.94	181.70	282.96															
Finland (23)	99.11	-1.5	86.55	55.05	58.06	70.93	-1.1	1.76	70.14	67.53	55.54	59.51	79.93	89.80	100.84	86.41															
France (99)	142.72	-0.6	137.45	113.67	121.12	123.86	-0.7	3.64	143.55	138.20	113.66	121.12	123.86	-0.7	3.64	143.55															
Germany (62)	101.59	-0.9	97.83	80.92	86.22	86.22	-0.8	2.64	102.48	98.06	81.15	88.95	88.95	129.09	101.59	115.49															
Hong Kong (55)	231.48	+1.8	222.93	194.37	198.48	225.95	+1.8	3.90	227.35	215.89	180.00	192.91	223.93	262.28	176.36	180.61															
Ireland (16)	140.80	-1.4	135.40	111.98	119.33	122.18	-1.6	4.34	142.64	137.32	112.93	121.02	124.18	173.71	122.96	164.37															
Italy (76)	55.37	-1.1	53.32	44.10	48.99	62.42	-1.8	3.33	54.76	52.72	43.95	48.46	81.31	80.86	47.47	77.45															
Japan (472)	101.08	-1.4	97.34	80.50	85.80	80.50	-1.4	1.04	102.55	98.72	81.19	87.89	141.95	87.27	124.89																
Malaysia (69)	251.96	-0.5	242.36	200.43	213.59	251.81	-0.4	2.64	253.02	243.58	200.33	214.68	252.83	252.42	212.41	214.14															
Mexico (19)	168.14	-0.7	160.23	132.54	141.22	165.88	-0.8	1.06	167.54	161.98	132.49	142.17	167.04	178.77	116.84	150.17															
Netherlands (25)	150.39	-0.4	144.83	119.78	127.64	125.99	-0.4	4.52	150.98	145.36	119.54	128.11	145.16	169.70	147.88	150.45															
New Zealand (13)	41.44	-0.6	39.90	33.00	35.17	42.80	-0.8	5.12	41.69	40.13	33.00	33.37	43.13	48.52	37.39	46.48															
Norway (22)	143.00	-1.5	137.80	113.97	121.45	135.08	-1.8	1.78	143.25	138.64	115.00	123.25	137.27	132.95	128.05	182.70															
Singapore (36)	207.04	-1.0	199.39	184.90	175.72	198.29	-0.9	2.08	205.23	201.43	165.65	177.52	199.72	228.33	179.65	220.78															
South Africa (60)	155.96	-0.4	150.19	124.21	132.36	164.80	-0.4	3.09	156.64	150.90	134.01	132.80	166.19	263.03	134.21	150.45															
Sweden (47)	116.79	+0.5	114.35	94.22	102.32	105.20	+0.5	4.52	116.28	112.93	94.22	102.32	105.20	+0.5	4.52	116.79															
Switzerland (56)	158.38	-0.3	152.82	128.15	134.42	174.56	-0.5	2.46	158.90	152.96	126.81	134.83	175.43	200.00	158.38	171.81															
United Kingdom (226)	110.40	+0.4	106.32	84.94	93.72	102.12	+0.0	2.10	109.93	105.93	83.04	93.29	102.16	122.37	95.99	109.40															
United States (522)	119.86	-0.5	116.37	139.35	124.23	116.67	-0.4	4.52	117.07	113.63	137.16	144.85	194.26	100.67	161.86	119.86															
World (136)	177.05	+0.5	170.51	144.19	157.59	177.05	+0.5	4.52	177.05	173.59	144.19	157.59	177.05	+0.5	4.52	177.05															
Australia (68)	133.92	-0.3	128.97	106.67	115.87	122.90	-0.3	3.84	134.23	129.36	106.38	114.01	123.32	158.88	131.31	149.03															
Austria (18)	141.71	-0.4	136.78	113.23	119.43	118.74	-0.4	2.19	141.71	136.78	113.23	119.43	118.74	-0.4	2.19	141.71															
Belgium (42)	105.93	-1.2	102.02	84.37	89.81	85.10	-1.0	2.19	107.26	103.26	84.92	91.01	86.71	141.97	93.70	105.93															
Canada (113)	117.26	-0.8	112.93	93.39	89.52	100.78	-0.5	2.63	118.23	113.82	93.60	100.31	91.33	145.21	113.80	117.26															
Denmark (33)	173.06	+0.4	168.69	137.85	146.81	172.14	+0.3	2.87	173.06	168.69	137.85	146.81	172.14	+0.3	2.87	173.06															
France (99)	115.69	-0.4	111.69	89.33	93.33	100.78	-0.4	3.77	116.37	111.69	89.33	93.33	100.78	-0.4	3.77	115.69															
Germany (62)	153.67	+0.0	147.89	122.83	130.55	143.30	+0.0	2.31	153.51	147.78	121.55	130.26	143.05	175.31	146.06	153.67															
Hong Kong (55)	118.51	-0.8	114.13	94.10	100.59	102.93	-0.5	2.56	119.47	116.02	94.99	101.37	103.48	146.81	115.59	118.51															
Ireland (16)	121.02	-0.2	122.26	100.30	115.83	121.97	-0.1	2.56	121.02	116.02	100.30	115.83	121.97	-0.1	2.56	121.02															
Italy (76)	137.29	-0.2	134.22	99.36	108.15	125.29	-0.2	2.56	137.63	132.50	99.36	108.15	125.29	-0.2	2.56	137.29															
Japan (472)	157.71	+0.1	151.88	125.82	133.67	152.03	+0.2	3.24	157.47	151.80	124.89	133.63	151.79	165.40	151.93	157.71															
Malaysia (69)	137.32	-0.2	132.24	109.37	116.55	126.65	-0.1	2.69	137.62	132.53	108.99	116.81	126.77	130.76	137.32	137.32															